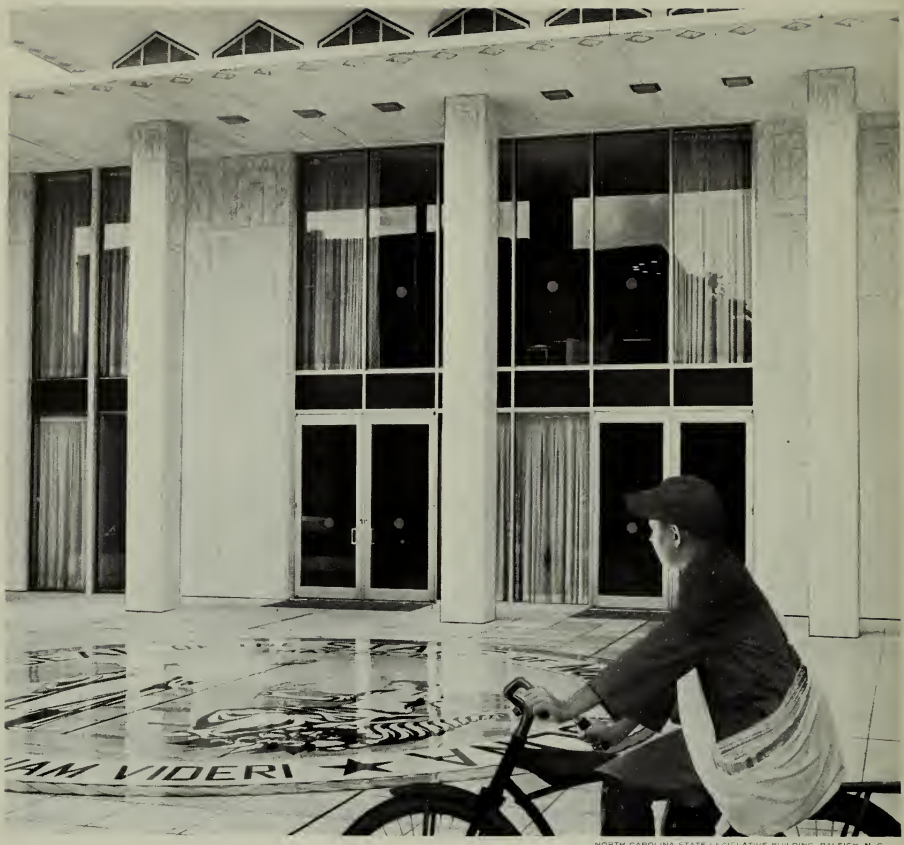
1962-1964

20th Biennial Report of the North Carolina Department of

CONSERVATION & DEVELOPMENT



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To His Excellency
The Honorable Terry Sanford
Governor of North Carolina

In compliance with the Statutes of North Carolina, I am transmitting herewith the report of the Department of Conservation and Development for the biennium ending June 30, 1964.

Respectfully,

Robert L. Stallings, Jr.
Director

THE COVERS

North Carolina advertisements, representative of those produced by the Travel Information Division under direction of the Advertising Committee of the Board of Conservation and Development, and published nationally during the biennium, appear on inside front cover, inside back cover, and on the back page. During the biennium there were 316 display advertisements in 100 newspapers and magazines and 2,529 air announcements through 71 television stations.

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Board changes during biennium

* Succeeded Paul H. Thompson, Fayetteville, resigned; ** succeeded R. W. Martin, Raleigh, resigned; *** succeeded Robert W. Scott, Haw River, resigned.

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DEPARTMENT OF CONSERVATION AND DEVELOPMENT

Robert L. Stallings, Jr., Director

Hiram J. Casebolt, Assistant to the Director

DIVISIONS AND DIVISION HEADS

Commerce and Industry	Russell G. Hanson
Commercial Fisheries	Dr. David A. Adams
Community Planning	George J. Monoghan
Forestry	Fred H. Claridge
Geodetic Survey	Philip C. Doran
Mineral Resources	Dr. Jasper L. Stuckey
Parks	Thomas C. Ellis
Travel Information	Charles J. Parker*
Auditor	Victor W. Barfield
Public Information	Wade H. Lucas

* Deceased Dec. 5, 1963.

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FOREWORD

The mission of the Department of Conservation and Development is to conserve and develop and to promote the wise use of the natural resources of North Carolina for the common good of all her people.

This report is an account of the department's stewardship for biennium ending June 30, 1964.

In the interest of readability, much detail has been omitted. Those persons wishing more information about specific phases of the department's programs need only to contact the Department or the Division directly concerned.

COMMERCE AND INDUSTRY

In amount of capital committed for investment in new plants and expanded manufacturing facilities, the biennium of 1962-64 was the greatest on record.

Total expenditures, which during only one previous biennial period exceeded half a billion dollars, in the biennium of 1962-64 passed that amount substantially with a total of $647,015,000.

Also, the total number of projects, numbering 1,230, went well beyond the figures of other recent years. Of this total, 340 were new plants and 890 expansions were reported to existing industries. Investments for new plants exceeded by a considerable figure the expenditure for expansions. A total of $382,749,000 was assigned to new plants and $264,266,000 for additions.

New jobs numbering 30,228 were scheduled to be furnished by the new plants and 23,359 by the expansions, a grand total of 53,587 during the current two-year period. It is estimated that the new jobs will add $183,368,000 to the annual industrial payrolls of the State.

Tabulations of new plants and expansion for the last two bienniums follow:

BIENNIAL SUMMARIES

1960-1962; 1962-1964

	New	Investments	Payrolls	Employees
1960-'62	379	$219,989,000	$117,586,000	35,692
1962-'64	340	382,749,000	103,651,000	30,228
	Expansions			
1960-'62	633	$278,401,000	$ 95,245,000	28,585
1962-'64	890	264,266,000	79,717,000	23,359
	New and Expansions			
1960-'62	1,012	$498,390,000	$212,831,000	64,277
1962-'64	1,230	647,015,000	183,368,000	53,587

Some of the firms announcing new plants during the biennium include: Fiber Industries, Salisbury; Texas Gulf Sulphur Co., Aurora; Stanly Works, New Bern; Singer-Fidelity, Inc., High Point; Weyerhaeuser Co., Plymouth; Republic Foil Co., Salisbury; Springs Cotton Mills, Laurinburg; Eaton Manufacturing Co., Roxboro; American Thread Co., Calvert; Rea Magnet Wire Co., Laurinburg; A. Schrader's Son (Div. of Scovill Mfg. Co.), Wake Forest; Taylor Instrument Co., Asheville; and Sunbeam Corp., Elkin; Collins & Aikman, Inc., Farmville; Koppers Co., Wrightsville Beach; Phoenix Trimming Co., Tarboro; Trans-American Steel Corp., High Point; Morton Frozen Foods, Inc., Concord; Struthers Scientific & International Co., Wrightsville Beach; Fairchild-Stratos Co., Winston-Salem; Athey Manufacturing Co., Wake Forest; Levi Strauss & Co., Murphy; Cashiers Valley Trout Farm, Canton; Paul L. Von Cannon, Inc., Cherokee; St. Joe Paper Co., Charlotte; United Piece Dye Co., Edenton; and Schiefflin & Co., Apex.

ADMINISTRATION

Russell G. Hanson was appointed as Administrator of the Division on February 15, 1964, succeeding James R. Hinkle who had served in this capacity since May 1, 1962.

Mr. Hinkle returned to Carolina Power and Light Company from which he was on leave of absence. He made an outstanding record with the Division.

Mr. Hanson was promoted from the ranks, having succeeded Paul Kelly, who retired on August 1, 1963, after 37 years with the Department of Conservation and Development, as Assistant Administrator.

The latest change in administrators was accompanied by a reorganization in the staff. Robert W. Whitfield became Assistant Administrator; Harold R. Love was

selected as Manager of the field force; and Cecil E. Bell became Senior Staff Consultant.

Turnover in the staff through resignations which has in the past been a serious problem slackened some during the biennium. However, a new problem arose with the promotion of some of the veteran members in the reorganization of the Division. These moves resulted in reducing the number of the more experienced Development Representatives available for work directly with industrial prospects.

Intensive training of all staff members of the more experienced men to work with and counsel the newer representatives proved most helpful to the program. A minimum of efficiency was thus lost at a time when efficiency was most essential.

Staff additions during the biennium included Ted Davis, Community and Industrial Services; Bruce Peabody, Export Development Co-ordinator; Lee Wilkins, Technical Studies; William F. Wood, General Development; and George I. Jauhiainen, Technical Studies. Mr. Davis, following the death of Charles J. Parker, veteran of many years of service, on December 5, 1963, became acting chief of the Travel Information Division. He is scheduled to return to his former position on August 1.

Members of the staff who resigned during the biennium include Eugene B. Harris, C. W. Garber and Lee Wilkins.

Veteran Retires: It is appropriate that this Biennial Report recognize some of the outstanding services rendered the Department of Conservation and Development, the Division of Commerce and Industry, and the people of North Carolina, by Paul Kelly, who retired on August 1, 1963.

Mr. Kelly began his work with the department in 1926 and, in addition to serving in various capacities, he for 18 years served as Administrator, Assistant Administrator, and Consultant to the Division of Commerce and Industry.

Robert E. Leak, who left the Division last biennium to enter private business, is scheduled to return to the Division in August. Because of his experience in this field, Mr. Leak will be assigned to assist in the advisory industrial financing field, in addition to working with prospects.

Since the Division was one of the first State Agencies of its kind to be organized and in view of its favorable reputation, numerous individuals trained in the Division have gone out to assume responsible positions with other states and agencies. Experienced personnel in the field has been in considerable demand and it has been difficult to retain trained Development Representatives. Continuity of service on the part of efficient staff members is vital to successful operation in view of intense competition for new industry.

Training Programs: Industrial development programs in a changing economy and to meet increasing competition must be ever on the alert and prepared to face successfully these new situations.

The Division, therefore, has in operation a continuous training program not only for new personnel but also for its more experienced staff. Frequent staff conferences with training features added are held. In these meetings, the members are instructed in various factors of importance in plant location and are given the benefit of experiences of their fellow workers.

Annually, the Division has sponsored an Executive Industrial Development Conference to which all persons engaged in industrial promotion in the State are invited.

Such subjects as development of prospects, negotiating with prospects, and presenting the assets of the State and communities are discussed. These conferences have been well attended.

Plans have been made to resume the Area Development Conferences. The first in the next biennium will be held in Elizabeth City during the first half of October This will be in cooperation with the Virginia Electric and Power Company.

North Carolina Day in New York: The Division cooperated in making arrangements for North Carolina Day in connection with the luncheon of the New York Sales Executive Club on February 26, 1963.

Some 800 North Carolinians attended, with Governor Terry Sanford as the main speaker. A North Carolina exhibit and favors from the State were features of the occasion. Some of the Tar Heels attending took advantage of their presence in New York to call on industrial prospects.

"Go East" Mission: By special invitation, the Division assisted with arrangements and participated in the "Go East" Industrial Mission to New York on March 19-21, 1963. This event was sponsored by Eastern North Carolina development agencies.

Ninety industrial development representatives, including three from the Division, called on more than 200 industrial executives. Of these 17 were classed as warranting a follow up, with 21 showing long-range interest. The Division assisted in following up the leads from the mission.

American Woodworking Machinery Show: This show, held in Greensboro in May 1963, was outstanding in its field and drew attendance from many states. The Division participated by the establishment of a booth to represent the State. Several prospects for new plants were developed and followed up.

Trade Fair: The second International Trade Fair sponsored by the Department was held in Charlotte on April 27-May 4, 1963. The first was on October 12-21, 1961.

North Carolina products were displayed in some 400 booths to buyers from throughout the United States and other nations.

An event which contributed materially to the international aspect of the event was a special booster and trade mission to Europe on October 26-November 8, 1962. The group consisted of 40 businessmen who visited in 11 European cities and contacted more than 200 firms. They travelled at their own expense.

Members of the Board of Conservation and Development and bankers of the State made a material contribution to the fair by their cooperation in the sale of exhibit space. Numerous other individuals and agencies had important parts in making the event a success. These included the City of Charlotte, Mecklenburg County and the Charlotte Chamber of Commerce.

While there are no means of measuring adequately the results of the fair, numerous reports have been received of new business coming to North Carolina firms and the growing awareness of the importance of the State as an industrial center. Buyers from various parts of this and other countries became more familiar with the variety and quality of the products of the State. The results are expected to be felt over a long period of years.

An added attraction of the fair was the Government Sales Conference held in connection therewith. All major procurement agencies were represented as were seven large southeastern prime contractors. These procurement representatives had an opportunity to inspect the State's products on exhibit over a two-day period and 165 North Carolina manufacturers conferred with the buyers.

Manufacturers Inventory Tax: Among the continuing problems which our staff and others concerned with the economic development of the State faces is the tax on manufacturers' inventory.

In 1963, the Division undertook to determine as specifically as possible the effect of this levy on plant location facilities. A special study revealed that the manufacturers' inventory tax was the primary factor in losing at least six major plants to competing states.

Had the six plants located in North Carolina, the study showed the personal income of the State would have risen by some 65.5 million dollars annually and governmental revenue would have been 8.3 million dollars more than was collected. If the losses in income and taxes resulting from plants going elsewhere because of the inventory tax were projected over a period of years, the cumulative potential sources of revenue would be highly significant.

Legislation designed to remove the tax on manufacturers' inventory was offered in the 1963 General Assembly by Representative Clyde Harriss of Rowan County. The bill had the strong support of the Board of Conservation and Development. The measure would have compensated the counties and municipalities from State funds for revenues lost. Although the bill had strong support, it failed of passage in the closing days of the session.

"E" Award: For its effective program for the stimulation of export trade, the Department of Conservation and Development in April 1963, received the coveted President's "E" Award.

The Department was the first State Agency in the entire Nation to be so recognized since the award was revived about two years ago through the U. S. Department of Commerce.

Special ceremonies were conducted at the North Carolina Legislature in Raleigh on May 29 attending the raising of the blue and white "E" pennant.

Among the various activities of the Department during the last several years considered in the award were the two International Trade Fairs, first of their type promoted by a State; three European Industrial and Trade Missions, also first for States; the first State Travel Mission to Europe from the U. S. A.; various foreign trade conferences and workshops; the Export-Import Directory; and continuous assistance to firms and individuals in the State toward the development of foreign trade.

Future Needs: Although capital investments in industry set a record during the past biennium, there is no cause for complacency or slackening of efforts to attract industry to the State and to encourage and assist established plants to expand.

North Carolina's economic prosperity in the future rests largely on employment opportunities for her people. In meeting these needs, several factors must be taken into consideration—the increasing labor force, the movement of people from the farms, and the substantial out-migration.

Each year some 25,000 high school graduates enter the State's labor force and annual drop outs from schools number around 45,000. A considerable number of these also enter the labor force.

Between 1950 and 1960, the rural farm population of the State decreased from 1,376,664 to 808,379, a net loss of 568,285 for the ten-year period or 56,800 annually. Some of these migrate to the State's urban centers and others to various parts of the country.

During the last decade, North Carolina's out-migration has exceeded the number of people coming from other states by about 33,000 annually. Economic reasons, important among which is the lack of adequate job opportunities, are among the primary causes of this loss of citizens.

While there are duplications among the various fields and the number of jobs required each year to give full employment to all North Carolinians needing work, the above figures give some indication of the employment problem of the future. It should also be pointed out that job openings occur continuously through retirements and deaths.

According to figures submitted earlier in this report, new jobs scheduled to be provided by new plants and expansions numbered just under 54,000 for the two-year period or about 27,000 annually. For each 100 workers employed in industry, it is estimated that an additional 65 new non-manufacturing jobs will be created. Using this figure as a yard-stick, some 18,000 additional new non-manufacturing jobs will be provided by the new plants and expansions, making a total of some 45,000 employment opportunities annually through industrial growth.

Some important conclusions may be drawn from these figures. The first of these is that efforts to attract additional manufacturing facilities should continue at an accelerated pace, and, secondly that non-manufacturing sources of employment should be encouraged in an aggressive manner.

Attracting additional manufacturing facilities includes, of course, encouraging and assisting established concerns in every practical manner to expand their capacities. North Carolina has been a leader among the states in this field and this phase of the program should continue on an even broader scale.

Over a period of many years, the Division has built up a strong and effective organization that is acknowledged to be outstanding in the Nation. In fact, it was awarded a trophy in national competition as the best for 1960 and was given a runner up position the next year.

These high standards have been maintained from year to year through a sucession of dedicated and capable administrators. Acknowledgement should also be made of the services of a staff to whose efforts a considerable part of any successes that have been attained are due.

Projected Activities: Planning has been proven to be essential for the success of the program. Rapid changes in the field of science, technology, and sociological conditions require constant study and adjustments. Working tools and techniques must be adjusted to new conditions. Outmoded methods must be discarded and new approaches devised.

Aids to Established Industry—The value of this program is demonstrated by the fact that over a period of years, expansions to existing industry has accounted for

around one-half of capital investments in industry in the State. Plans are to increase the facilities for this service.

Directors' Meetings—North Carolina is particularly fortunate in the number of nationally known firms that have plants in the State. Some have scheduled meetings of their directors at these plants. More meetings of these groups will be encouraged. Such personal contacts will be most helpful to the State.

Industrial Missions—Since the practice of conducting large scale industrial missions to metropolitan centers has become so general with other states, their value has become limited. It is the hope of the Division to conduct some special missions to medium-sized industrial centers.

Community Cooperation—The Division is making a drive to obtain as complete information as possible on the various communities of the State in order that the facilities of each may be presented as effectively as possible to industrialiser. It will continue to make its services available to all communities.

Work With Development Agencies—Power companies, railroad and other groups maintain effective development agencies. The strongest possible ties and cooperation with these groups are desirable and every effort is being made to maintain the most effective relations. The Division also plans to continue to work closely with consultants and plant locating firms.

Financing Advice—This service has proved most popular and effective in the State's development program. Assistance is extended to communities in organizing development corporations, to existing firms for operating purposes and expansion projects, and in financing new plants. Services will be expanded in these fields.

Scientific Agencies—Closer co-ordination with agencies engaged in research is contemplated. This includes, in particular, the North Carolina Board of Science and Technology. An increasing number of new industries in the future will result from scientific studies now under way.

COMMUNITY AND INDUSTRIAL SERVICES

Activities of this Section consist mainly of serving the various communities in connection with their development programs and in cooperating with established industries.

The Division was a pioneer in this type of service among the states and its organization and program have been a model for numerous other agencies.

Community Services: The program in this field is widely varied and covers many angles of cooperation with communities ranging from aids in setting up local development organizations to the preparation of site brochures.

Realizing that best efforts are obtained for the State when all agencies charged with representing all of its components work together, the Division continually seeks the closest possible cooperation with county, city, and all other development groups. In this program, the major power companies participate actively.

One of the principal features of this program which was inaugurated during the latter part of the biennium is a series of scheduled meetings in the communities with development representatives and other local leaders. In these informal meetings, experienced representatives of the Division analyze the local organizations, procedures, and backgrounds.

Efforts are made to identify weaknesses in the local program and suggestions are made for improvement. Such factors as the availability of sites at attractive costs and adequate local data are carefully scrutinized. These are among the more common weaknesses in local efforts to attract industry.

The Division representatives are prepared to make recommendations to remedy handicaps in these and other lines. They also give other positive suggestions. These conferences are arranged only at the request of the local people. Specific assistance is available from the Division in certain procedures, such as site studies and in outlining community surveys.

Area Industrial Conferences—The practice of holding area conferences in central locations over the State was continued during the biennium.

Such conferences were held during February 1963 in Asheville, Lexington, Rocky Mount and Fayetteville. They were both informative and inspirational. Features included community preparation for development programs and the actual handling of prospects. Approximately 500 local community leaders attended the sessions.

Industry Appreciation Week was sponsored on April 12-18, 1964, by the North Carolina Association of County Commissioners. The Section cooperated actively in this program. Some 75 of the 100 counties carried out various features honoring industries within their borders during the period.

Expansions of North Carolina Markets: Numerous special functions of the Division are aimed toward helping to expand the markets and to create new demands for North Carolina products. These are State-wide, national and international in scope.

Special attention has been given toward helping interested North Carolina manufacturers to obtain a larger portion of Federal Government business, both defense and civilian. Conferences, clinics, tours and other events featured these efforts.

On October 22-24, 1962, a Government Sales Conference and Clinic was held at Chapel Hill. Government agencies represented included the Army, Navy, Air Force, NASA and procurement officers of the large military bases in the State. In addition, representatives of the State Division of Purchase and Contract and the North Carolina Association of County and Municipal Purchasing Agents were present.

This conference and clinic, conducted on a strictly personal interview basis, brought some 100 North Carolina manufacturers and businessmen in touch with agencies with tremendous requirements for various practices made in North Carolina.

The second large sales meeting was the Government Sales Conference held in connection with the Trade Fair in Charlotte in the Spring of 1963. All major government procurement agencies were represented, plus seven large southeastern prime contractors.

Exhibits at the Fair gave the procurement officials an opportunity to inspect a cross-section of the State's manufactured items. Over a two-day period, 165 North Carolina manufacturers held conferences with procurement representatives.

Another type of promotional activity for North Carolina products was a tour of NASA's Langley Research Center in Virginia jointly sponsored with the Capital Area Development Association on August 5-6, 1963, by a group from the State.

Thirty-one metal fabricators, machine shop operators, and electronics manufacturers inspected parts, supplies and services required by the agency and were given the opportunity to establish eligibility to bid. One firm received a contract almost immediately and others received invitation to bid on specified items. Additional results were expected from the tour.

A sales clinic (Supplier-Buyer Conference) was held at Winston-Salem on November 14-15, 1963. Co-sponsored with the Carolinas-Virginia Purchasing Agents Association, this clinic brought potential suppliers into direct interview sessions with purchasing agents of large manufacturers and utilities in the three states. Among the firms participating were Westinghouse, Gerber, Duke Power, Carolina Power and Light, Container Corporation of America, Old Dominion Box and Bowaters Carolina.

Planned for the week beginning July 26, 1964, is the sponsorship by the Section of a new feature—A Government Procurement Tour. Government procurement representatives will move between three centrally located cities—Goldsboro, High Point and Asheville—to contact potential suppliers.

Manufacturers and other suppliers from surrounding territories will be invited into the selected locations to develop contacts with the Federal Agencies as potential customers.

Foreign Trade Promotion: Such a program has been pursued on a limited scope over a period of years. However, the expansion of the efforts was signally marked by the Export Development Conference in March 1962, attended by 162 interested businessmen.

Export Workshop—In this workshop held in Chapel Hill on November 30-December 1, 1962, ways, means and procedures in foreign trade were covered. The theme was "How to Sell to Foreign Markets".

Those interested in developing export trade were counselled by experts in the field and given the advantage of the experience of some who have achieved outstanding success. Richard Reynolds, President, Reynolds Metals Company, Richmond, Va., was the keynote speaker. Others addressing the group included James S. Bush, Director, Export-Import Bank, Washington, and Henry W. Sheehy, President, Foreign Credit Insurance Association, New York.

Export-Import Directory—Culminating several months of work, this directory was completed in April 1963, as a special aid to foreign trade development.

The directory contains the names of North Carolina manufacturers who import and export, their addresses, and the person in charge.

Some 600 copies of the directory were distributed in the first two months following its availability and copies are still in demand. Copies have been placed by the U. S. Department of Commerce with each of its overseas commercial posts. Others have gone to export-import agents, manufacturers, banks, shipping companies and elsewhere.

Export Development Co-ordinator—The most recent step toward developing foreign trade for the State has been the addition of a foreign trade consultant to the staff of the Division. This was done just before the end of the biennium.

In this program, the Division works in close cooperation with the North Carolina Ports Authority. Routing of new shipping growing out of the program through the deep water ports at Wilmington and Morehead City is sought.

At the close of the biennium, there were strong indications for some new and substantial foreign markets for a variety of North Carolina products.

Trade Missions and Miscellaneous—As mentioned elsewhere in this report, one foreign mission was conducted during the biennium as a booster for International Trade Fair and the fair itself was an important foreign trade promotional feature.

Over a period of years, assistance has been extended to individuals and firms seeking advice and assistance toward developing foreign trade. This feature has been intensified with the employment of the new export development co-ordinator.

Financing Industry: Since North Carolina does not authorize the financing of industrial buildings or equipment through local bond issues or other public sources, capital for industrial development must come through private sources.

During the latter months of last biennium, Governor Sanford appointed a committee under the chairmanship of Dr. Joe S. Floyd of the School of Business Administration of the University of North Carolina at Chapel Hill, to make a study of the various methods and procedures of financing industry.

This committee, in a report during the first part of this biennium, recommended that local bond financing be permitted in North Carolina. No action, however, was taken on this recommendation.

Realizing the importance of financing to industrial growth, the Division has had on its staff since early in 1961 a banker with extensive experience with industry. His particular assignment has been to find the most attractive sources of finances for new and expanding industries in the State and to advise on this subject wherever his services are desired.

This service has been found beneficial and popular far beyond initial expectations. In fact, the program has grown to such an extent that assistance is planned for the advisor beginning early next biennium.

The success of the program is shown by the fact that loan commitments resulting from the Division's services totaled more than $20 million during the last six months of this biennium. During the previous year, assistance was given in finding loans totaling in excess of $10 million. Since loan commitments generally represent only a portion of project costs, total investments in the cases involved for the periods recorded will probably be upwards of $60,000,000.

As has been indicated, the financial advisory service is extended to existing industries, as well as to new plants. Among the purposes for which loans were obtained, with the assistance of the Division, are for expansions, new equipment and operating capital.

FOOD INDUSTRIES

Initially the personnel of this Section operated as part of General Development but on the recommendation of Governor Sanford, the Food Industries Section was established in June 1962, with Lewis F. Dunn as chief.

The primary purpose of this move was to direct greater attention and bring more concerted action to bear on the promotion and encouragement of more facilities for processing the products of North Carolina's farms and fisheries.

A search for a seafood specialist extending over many months was ended near the close of the biennium with the assignment of Mr. Dunn to this duty. His

background in marketing and his experience in the commercial fisheries field while with the Division give assurance that the assignment will be handled efficiently and with considerable promise. Presently, there are several active prospects.

Glenn D. Hunt, who began his services with the Division more than two years ago is serving as Chief of the Section. Mr. Hunt will continue as a field representative in addition to his new duties. He has been the primary contact with established food processors in other states for the purpose of seeking their interest in expanding into North Carolina.

Efforts of the Section have been directed both toward development from within the State and toward attracting branch plants and new firms from other states. The internal program has included encouragement of established plants to take on new products and to expand existing facilities. Also the Section has worked with individuals and groups who are considering entering the food processing field.

North Carolina's facilities and attractions have been presented in person to food processors throughout the country. Calls have been made during the biennium on some 262 food processing companies in many eastern, midwestern and other states. Forty-five of these have sent representatives to North Carolina for personal observation and studies, some visiting the State more than one time.

Representatives of the Section have visited during the last two years most of food processors already located in the State. Potentials for new products are reviewed with these firms and encouragement is extended to enlarge outputs where such a move is practical. Cooperation is given in finding additional sources of financing for new plants and additions.

State Food Products Features: Various means have been taken to familiarize North Carolinians with food items produced in the State, thereby to help create additional markets.

One of these features was a Food Editor's Luncheon whose menu was made up of items processed in the State and produced on its farms.

Food editors from various newspapers and magazines numbering 165 were invited as special guests and the group was addressed by Governor Sanford who stressed the potentials of the food industries program.

Another event to dramatize North Carolina food was a Ham and Egg Breakfast sponsored by the Division in cooperation with the North Carolina Restaurant Association, the North Carolina Ham Curers Association, and the North Carolina Egg Marketing Association. Guests included members of the General Assembly, State officials and the press.

Many of the large food stores have cooperated effectively with the food industries program through special shelves and displays of food items produced in the State. These have been featured in special advertisements and promotions.

Special Reports: Recognizing the importance of a suitable supply of farm products to the expansion of food industries in the State, the Section inaugurated regional studies, the first of which was in the Albemarle Region.

In addition to the normal type of promotional data, the survey presented data in some detail on farm crops, such as grains and other field crops, fruits and vegetables, and livestock and forest products. Figures in the reports are presented by counties, as well as in summaries.

Projecting the current output of crops, the study indicates potentials for increasing production as might be required when further demand is created.

Studies have been made of several crops which apparently offer outstanding opportunity for processing. These include corn, apples and cucumbers. These and numerous others have been presented personally to interested firms and mailed to others. Numerous representatives of processing companies have been conducted on special inspection trips to the State.

Apples—Considerable attention has been devoted to apples. Groups of businessmen in Charlotte, Hendersonville, Hickory and Wilkesboro have supported efforts in behalf of apple processing and have secured interest from firms in other states. Investigations were made by the Technical Studies Section to determine the most promising types of products from a marketing standpoint.

Some Developments: Although the Section has been in operation only a limited time, there are already some notable achievements and there are indications that several projects will materialize in the fairly near future.

Encouraged by outstanding success in the growing of sweet corn for processing out of the State, one firm has decided to increase its production from 40 acres to 1,000 acres and establish a plant in North Carolina to perform the husking and cutting operations. It is hoped this will lead to further processing in the State.

Another project of considerable significance is the establishment of facilities in Haywood County for the ultimate production of 2,000,000 pounds of mountain trout annually for the markets. The trout will be hatched, grown in pools, prepared for shipment and frozen in the State. First shipments were made last spring. It will be one of the largest operations of its type in the country.

Shortly before the close of the biennium two firms whose products are widely known acquired sites in the State for the purpose of establishing processing plants. At the request of company officials, details of the projects cannot be made public at this time.

During the biennium, the Section has worked closely with various agencies among which are the Department of Food Science and other offices at North Carolina State, the North Carolina Department of Agriculture, food distributors and numerous other public and private groups, community and area organizations and numerous others.

RESEARCH AND STATISTICS

Information collected by this Section forms the major tools used by developers in presenting the advantages and attractions of the State for industry.

Not only does the Division's staff rely continually upon the data gathered by the Section but local and regional public and private organizations depend upon its files to support their development activities. Its facilities are in constant demand from power companies, railroads and consultants of many types for facts and figures on North Carolina.

Services of this Section have kept pace with the growth of the staff and the organization of new local development groups over the State. The addition of two new sections within the Division during the biennium has resulted in greater demands on the Section for background data. This involves not only gathering a larger amount of information but in expanding the fields of economic research.

Community Data: One of the greatest needs over a period of years has been specific data on the various communities. The Section has had the continuing responsibility of assembling, filing, and making available this information. A special form has been developed under the title of Community Data Sheets and these forms are available in the files for most of the communities of the State. Principal facts on the various localities are condensed on one sheet. They are in daily use by the Division staff and have become a standard piece for most of the agencies working toward the economic development of North Carolina.

There has been a persistent need for the expansion of the facts in the Community Data Sheets and new forms were compiled during the biennium for this purpose. These forms sought additional details on utilities, sites, labor, taxes and other local features and are often governing factors in site selection by industrialists.

By the end of the biennium, more than 100 communities had completed the forms and returned them to the Division. It is hoped that this task will be completed within the next several months but periodic revisions to reflect changing conditions will be necessary.

With the availability of this mass of new data, the improvement of the filing and retrieval system became necessary. As a result of months of study by Cecil E. Bell, veteran staff member, a retrieval system was devised which will be a considerable time-saver for development representatives in proposing plant locations meeting specific sets of requirements. This system will also make possible more expeditious and efficient service to representatives of firms which are considering plant sites.

Record of Industrial Growth: A continuing record of the State's industrial growth is kept by this Section. This record includes the location of new plants, their products, proposed employment and investment in each enterprise. Similar data is assembled on expansions of existing industries. Summaries are made

quarterly and made public at such intervals, as well as semi-annually, annually and bi-annually.

These reports constitute the only source of such information and furnish background statistics for the measurement of the effectiveness of the development program. They are also the basis of various studies of diversification of manufacturing in the State and are used in the planning of future development programs.

Data derived from the records are used by numerous agencies and serve various other purposes. One of these is special studies of area progress. Another is the source of supply of various products.

Blaine-Gentry Study: This study was issued under the title of "The Industrial Development Program of North Carolina, 1954 to 1962, With Projection to 1970," with Dr. J. C. D. Blaine, professor of transportation of the University of North Carolina, and James A. Gentry, Jr., North Carolina Motor Carriers Fellow, as authors.

The publication is based principally on figures supplied by the Division for the years indicated and carries breakdowns of the statistics on new industries and expansions for the various geographical areas of the State. One of its most interesting features was the projection of annual figures for 1970 based on the figures on the nine years studied.

Mailing Pieces: To a considerable extent the responsibility for literature used in the development program rests on this Section. This includes the basic factual materials employed by the Division staff and other promotional agencies and for circulation to industrial officials.

The Section furnished considerable information to the author of a special article on North Carolina appearing in the April 1964 issue of "Industrial Development" Magazine. This article was reprinted and is currently being used in an attractive cover as the main mailing piece of the Division.

Another mailing piece issued during the biennium was a compilation on Public Revenues and Expenditures of the State and local governments. Its purpose was to present an image of soundness and efficiency in the fiscal policies of the State, a matter of concern to prospective industrialists who are at times lured by special tax concessions elsewhere.

North Carolina Facts Favorable to Industry: This 7-sheet piece summarizes and presents to the developer and industrial prospect some of the major attractions of the State from economic and social aspects.

Airport Directory: Data collected by the Research and Statistics Section and the Technical Studies Section was used in a North Carolina Airport Directory issued late in 1963.

Distribution of the directory was placed under the direction of Research and Statistics. Publication was a joint undertaking of the Division and the Governor's Aviation Advisory Committee.

TECHNICAL STUDIES

Although planned some months earlier, this Section did not become fully activated until the beginning of this biennium with the employment of Lawrence B. McGee to head its operations.

To remain competitive with other states in the attraction of industry, it was evident that added emphasis must be placed on the field of technical studies. This is in line with the broadening of the bases of services made available by other states to firms making plant site studies.

At times there are various problems of technical nature for which a competing state needs to provide answers. Without the facilities to substantiate the feasibility of North Carolina locations, the chances of the selection of sites for certain types of operations within the State would be reduced materially.

One of the most important functions of the Section is to make studies to determine the types of industries which are the most logical and offer the best prospects for development in the State. These point the way for emphasis in planning and directing promotional activities.

Frequently the Section is called upon to assist the development staff in preparing specialized briefs for individual plants, particularly those whose requirements are more exacting than the normal type. This includes investigation of market potentials for particular products.

Research In Competitive Factors: Constant investigations of factors which influence plant location and which may place North Carolina in an advantageous position in competition with other states or which may handicap industrial development are conducted by the Section.

The Section was called on by a legislative committee during the 1963 General Assembly for a study of the effects of North Carolina's inventory tax on the industrial growth of the State. The study revealed that the tax was the major factor in the loss of six major plants of substantial size to other states during one recent year.

Studies of Potential Development: Among the potential industries for the State which have been explored is a lime plant. Phases of the study included the availability of raw materials and market possibilities.

Considerable study has been directed toward the promoting of the export of North Carolina peaches to Europe where a promising market is indicated.

The severe freeze which destroyed a major part of the peach crop for 1964 delayed the project for the year. It is hoped that at least some test shipments may be made from the 1965 crop. Plans are to renew the project at an appropriate time.

Plans for large-scale production of phosphate in Eastern North Carolina have led to a study to determine various types of industry that can use phosphate. The announced purpose on the part of Texas Gulf Sulphur Company to spend $45 million for facilities near Aurora may be followed by additional projects.

Special Industry Studies: Over a period of years, the Division has sought to attract plants to process rubber products to the State, especially tires. At this time there is no tire plant in North Carolina.

A special study to determine the requirements for a tire plant was made during the first half of 1964. This study included calls on a number of leading firms and conferring with officials responsible for the location of plants and research officials.

Some of the calls were on officials whose companies have considered North Carolina in the past for plants. In cases where plants were located in other states, suggestions were sought for future presentations. Data gathered in the study will be used in efforts to attract plants in the future.

Site Brochures: For a number of years the Division has carried on industrial site studies and has issued brochures on many of the larger and more promising properties. With the organization of the Technical Studies Section, the site work became a part of its responsibilities.

The format of the site brochures has been improved. A shorter form for general distribution to interested individuals and firms has been devised and improved brochures have been worked out for those who manifest an interest and desire further details. The Section is moving toward obtaining descriptions of all of the major sites in the State that fill general requirements and others suitable for specific types of industry.

Considerable time is spent by the site specialist in looking over tracts of land in various parts of the State to judge their suitability for manufacturing plants. Advice is given to communities and individuals on steps which should be taken to improve various properties for industrial use.

Industrial Buildings: The Division of Commerce and Industry pioneered the field among State development agencies in gathering and using data on available buildings to attract industry to the State.

This device has proven highly successful and has come into general use among competing agencies. It has resulted in a number of new manufacturing operations coming to the State which might have gone elsewhere if facilities had not been available and if they had not been brought to the attention of potential users.

Descriptions of industrial buildings are assembled in lists at intervals and distributed to manufacturers, consultants, brokers and development agencies. As a result, good manufacturing space at attractive prices in the State ordinarily does not remain vacant for extended periods.

Economic Data: To meet competition for new plants, it has become increasingly necessary for State development agencies to present convincing evidence of the economics of locations within their borders.

The primary responsibility in the Division for searching out and presenting such data rests in the Technical Studies Section. Some of the factors which are constantly being investigated include building costs, labor training expense, markets and various operating costs.

It is frequently necessary to include all these factors in briefs for individual firms. General economic information applying to all types of industry is constantly being assembled. These data form the basis for many individual presentations and also are used for general promotional purposes.

COMMERCIAL FISHERIES

The 1962-64 biennium marked a change of philosophy and the initiation of an ambitious expanded program in commercial fisheries. In October, 1963, Governor Sanford announced, "The basic function of this Division has been the enforcement of laws relating to the commercial fishing industry of North Carolina. Although law enforcement is, and will continue to be, an important activity of the Division of Commercial Fisheries, it must be supplemented by an expanded program of research, education, advertising, industrialization, and market development." This announcement was followed by the installation of Dr. David A. Adams, a trained scientist, as Commissioner, by improvement in the internal organization of the Division, by expanded activities in the fields outlined above, and by budgetary planning for a continued expanded program in the coming biennium. The Division of Commercial Fisheries is now organized into three sections: Law Enforcement, Research and Development, and Shellfish Sanitation.

DIVISION ACTIVITIES

Law Enforcement

This, the largest section of the Division, is composed of 42 field and 5 administrative personnel. Supportive equipment includes 2 aircraft, 5 inboard patrol boats, and 23 outboard patrol boats, most of which have ship-to-shore radios. One of our inboard patrol boats, a 43 footer, was put into commission in 1963, replacing the old "Cape Fear" which was destroyed by fire. Another inboard added during this biennium is a 24 foot cabin boat, shallow draft, for patrolling primarily in Core and Bogue Sound areas. We have also added 11 cars, all equipped with two-way radios. For the first time, all personnel involved in extensive field operations are provided state-owned transportation.

The Division's area of law enforcement responsibility has been divided into three districts, each of which is the responsibility of a District Supervisor. A new inspector category, Inspector II, has been inaugurated. Inspector II's serve in a supervisory capacity, under the District Supervisors, and are responsible to him for law enforcement activities in a part of his district or with revenue collecting throughout the district.

Efforts to improve the efficiency of our law enforcement operations are continuing. Inadequate or ambiguous commercial fisheries regulations have been modified or deleted and a new regulation book is being prepared for publication.

The Institute of Government and the Institute of Fisheries Research of the University of North Carolina, will hold an in-service training school for all field personnel in August, and will continue to hold such schools on an annual basis. The State Personnel Department has authorized one new job classification (Inspector II) and has approved upward salary range adjustments for most of our field personnel.

Research and Development

Pending the addition of a trained fisheries biologist in August, 1964, work in this area is being carried out by the Commissioner. This section will be charged with recommending contract research projects, overseeing research currently under contract, performing limited applied research and development projects in estuarine and marine environments, collecting data on catch composition, planning and executing continued efforts in oyster rehabilitation, and in publishing and distributing informational material of interest to commercial fishermen.

The 1963 General Assembly appropriated $30,000 for a continuation of biological research under contract to the Institute of Fisheries Research of the University of North Carolina, and an additional $20,000 to be invested in seafood processing and marketing research.

Contract research currently being carried out by the Institute of Fisheries Research includes a study of the marine commercial and sport fisheries of North Carolina, investigations of postlarval and juvenile shrimp populations, development of methods for raising commercial quantities of hard clams under artificial conditions, and a catch inventory of the "trash-fish" industry.

Plans for seafood processing research, to be contracted to the Department of Food Science of North Carolina State of the University of North Carolina at Raleigh, will be presented to the Board of Conservation and Development in July, 1964. Work on processing methods for blue crabs and on the quality of bay scallop meats should be underway by September, 1964.

Efforts of the various states to obtain federal assistance in commercial fisheries research resulted in the passage of P. L. 88-309, The Commercial Fisheries Research and Development Act of 1964, in May, 1964. Under the provisions of this act, North Carolina may receive between $60,000 and $80,000 in federal funds (to be matched by at least 1/3 that amount in state-appropriated funds) with which to finance approved projects in commercial fisheries research and development. Plans are now being made to use these funds in a manner which will bring the greatest benefit to our commercial fishermen.

In conjunction with the Division's expanded interests in the field of research, the 1965 General Assembly will be asked to appropriate sufficient funds to continue current research projects, to provide matching funds to be used under the provisions of P. L. 88-309, to purchase and equip an exploratory fishing vessel, and to provide two additional biologists and clerical help for this section of the Division.

Shellfish Sanitation

Three Sanitarians are currently assigned by the State Board of Health in administering the certification responsibilities of the Cooperative Shellfish Sanitation Program. The yearly averages of certificates of inspection issued to approved shellfish dealers during the biennium were: Shellstock Dealers, 108; Shucking Plants, 48; and Crustacea Meat Plants, 24. There were 2,430 sanitary inspections made of these plants.

Growing concern over a steady increase in pollution in coastal waters, and the involvement of polluted shellfish in several serious disease outbreaks in other states emphasized the need to intensify sanitary surveillance of shellfish growing areas. It became apparent that the base laboratory in Morehead City, staffed by only one bacteriologist, was inadequate to undertake an intensified water examination program. A mobile laboratory was borrowed from the State Board of Health and the Division of Commercial Fisheries supplied three additional laboratory workers to implement the project. The Morehead City laboratory examined 2,500 samples of shellfish and shellfish growing waters during the biennium. When the Division of Commercial Fisheries provides a new mobile laboratory, early in the next biennium, it is expected that laboratory examinations can be more than doubled.

Shoreline surveys were made in an effort to locate and correct actual and potential sources of pollution.

FISHERIES PRODUCTION

Species	1962-63 Pounds	1962-63 Value to Fishermen	1963-64 Pounds	1963-64 Value to Fishermen
Alewives	15,102,003	$ 151,593	7,561,004	$ 76,883
Bluefish	956,415	116,436	678,749	81,129
Bowfin	391	20	.....	.....
Butterfish	144,269	12,878	211,097	14,777
Cabio	19,152	1,216	12,984	884
Carp	158,850	4,766	231,200	6,965
Catfish	1,211,058	99,702	1,102,014	110,203
Croaker	1,808,531	135,175	2,400,146	172,476
Black Drum	45,443	2,719	45,984	2,764
Red Drum or Redfish	71,954	4,876	56,985	4,565
Eels	35,079	1,697	35,155	1,758
Flounders	1,763,323	266,924	2,603,298	449,562
Groupers	736	54	63	4
Grunt	195	13	1,874	128
Harvest Fish	5,337	427	18,213	1,457
Hickory Shad	294,530	8,887	231,383	8,528
King Mackerel	47,518	8,698	49,176	9,835
King Whiting	1,064,963	110,800	1,005,212	80,418
Mackerel (Boston)	1,000	15	355	53
Menhaden	118,106,314	1,310,661	208,793,469	2,363,078
Mullet	2,429,079	175,851	1,369,280	105,523
Pigfish	135,669	5,708	87,095	5,690
Pike	737	74	24	2
Pompano	6,191	1,852	10,832	2,707
Porgy, red	.....	.....	3,095	309
Sand Perch	25,215	756	14,425	433
Scup or Porgy	211,992	13,314	453,101	23,822
Sea Bass	772,188	80,511	811,925	98,406
Trout, Grey	1,964,961	136,557	1,626,518	125,608
Trout, Spotted	185,450	56,791	223,773	70,593
Shad	693,426	167,709	639,917	127,475
Sharks	3,298	278	14,641	1,464
Sheephead	7,510	507	9,382	750
Snapper, red	442	110	2,611	735
Spade Fish	9,798	702	2,295	183
Spanish Mackerel	96,283	14,443	108,066	16,211
Spot	1,003,817	60,230	1,108,375	95,654
Star Butters	6,486	519	.....	.....
Striped Bass	863,102	127,634	646,341	109,605
Sturgeon	33,356	6,285	35,183	7,036
Swellfish	508,696	11,295	230,268	6,907
Swordfish	.....	.....	203,994	93,138
Tilefish	188	15	651	52
Tuna	.....	.....	30,646	2,544
White Perch	245,025	24,502	332,861	35,689
Whiting	537	21	.....	.....
Yellow Perch	42,808	2,568	61,656	5,494
TOTALS	150,083,315	$3,125,789	233,065,316	$4,321,497

SHELLFISH

	1962-63 Quantity	1962-63 Value to Fishermen	1963-64 Quantity	1963-64 Value to Fishermen
Shrimp (Lbs., heads off)	2,941,152	$1,822,000	1,788,579	$ 899,800
Oysters (5 Pk. tubs)	137,754	425,600	130,816	504,100
Clams (Bushels)	33,451	108,400	42,685	125,700
Scallops (Gallons)	38,386	126,900	31,817	136,100
Soft Shell Crabs (Dozen)	10,947	18,000	15,545	28,600
Hard Crabs (Lbs.)	10,360,920	486,000	20,190,600	989,300
VALUE OF SHELLFISH		$2,986,900		$2,683,600
VALUE OF FINFISH		3,125,789		4,321,497
TOTAL VALUE OF WATER PRODUCTS		$6,112,689		$7,005,097

Total value to the fishermen of food fish and shellfish during this biennium was $9,444,047 as compared with $9,470,941 during the 1960-62 biennium. Catches of menhaden dropped considerably under those made during the previous biennium. The menhaden catch during the 1962-64 biennium totaled 326,899,783 lbs. for a value to the fishermen of $3,673,739 as compared with $4,669,977 in the preceding biennium.

Catches of food fish during the biennium totaled 56,248,848 lbs. or 12,779,829 lbs. under the catch for the 1960-62 biennium. Value to the fishermen of the food fish catches during the biennium was $3,773,547 or $215,995 less than that of the preceding. Principal species of food fish in order of importance were Flounder, Striped Bass, Croaker, Shad, Mullet, Grey Trout, Alewives, Catfish, Sea Bass, Spot and King Whiting.

Also of considerable interest is the development of the new winter fishery for swordfish. During this biennium swordfish, which have never before been taken in commercial quantities from the North Carolina Coast, accounts for 203,994 lbs. valued at $93,138.

The total value of shellfish production continues to increase over previous years. The value to fishermen of all shellfish during the current biennium was $5,670,500, an increase of $189,100 over that of 1960-62. Although oyster, clam, and soft shell crab production was lower, increased harvests of scallop, hard crab, and shrimp were sufficient to account for the gain in total value.

One of the brightest spots in the State's commercial fishing industry continues to center around the catching and processing of hard blue crabs. During this biennium 30,551,520 lbs. of hard crabs were taken, as compared with 23,461,875 lbs. caught during the 1960-62 biennium and with 22,871,315 lbs. for the 1958-60 biennium. Despite the significant increase in production, the price paid to the fishermen per pound for hard crabs remained high.

COMMUNITY PLANNING

The primary function of the Division of Community Planning is to provide towns, cities and counties with the technical assistance needed for the solution of their physical development problems through planning. Assistance is given in the preparation of plans for land use, streets, parking, central business districts, parks, recreation, schools, and other community facilities in drafting zoning ordinances, subdivision regulations and other legal tools needed for the implementation of plans; in studies of population, fiscal conditions and economy; and, in the provision of continuing technical assistance needed by municipal and county officials as they attempt to carry out the recommendations of comprehensive community plans.

In the typical planning assistance program, a professionally trained city planner meets with a Planning Board whose members are appointed by the local governing body. Meetings are held at least once a month over a two year period, and the growth problems and potentials of the community are carefully analyzed and discussed. Together, the local Planning Board and their technical advisor prepare plans and ordinances for the consideration of the governing body. Development problems that occur during the course of the planning program are often referred to the Planning Board for their recommendation.

THE NEED FOR COMMUNITY PLANNING

The need for sound community planning is evident in our growing traffic congestion, the deterioration of residential areas by improperly located commercial or industrial activities, the cancerous growth of slum and blighted conditions, the decline of the central business districts, the rapidly increasing cost of municipal services, and the inadequate provision of land for parks, schools and other public uses. The great majority of North Carolina communities, like most American communities, have grown without the benefit of adequate plans to guide development. Fortunately, North Carolina is still a State of small communities and we can avoid the tragic and costly mistakes which have been made in the large metropolitan concentrations in other sections of the country.

Few States contain so many small incorporated places or have more population living in communities of under 50,000 persons. These communities are one of North Carolina's great assets and they are becoming increasingly attractive to people, business and industry now located in overcrowded metropolitan centers. At the present time, there are 415 incorporated communities in North Carolina. According to the 1960 Census, 210 of these communities, or approximately one-half, had populations in excess of 1,000 persons; 59 communities had populations in excess of 5,000 persons, and only seven municipalities had populations in excess of 50,000 persons. While the typical North Carolina municipality is small, it is also experiencing a rapid rate of growth. Between 1950 and 1960, almost 90 percent of North Carolina's total population increase took place in the 210 communities having populations of more than 1,000 persons. During the past decade, the combined population of these communities increased 29.8 percent while the population of the remainder of the State increased only 1.3 percent.

DIVISION'S PRIMARY RESPONSIBILITY TO SMALL COMMUNITIES

The seven municipalities in North Carolina, having populations of more than 50,000 persons, have created planning departments staffed with professional planning personnel to assist in the increasing problems of urban growth. The smaller towns and cities do not have the financial resources to employ full time professional planning staffs although their planning needs are not less acute than those of their larger neighbors. Therefore, the Division maintains a trained staff which provides professional planning services to the smaller towns, cities and counties at a reasonable cost. Individual staff members of the Division may work with several communities, thus reducing the over-all planning costs for the individual community far below that which would be incurred if they employed their own full-time planning staffs.

FEDERAL PLANNING GRANTS TO MUNICIPALITIES AND COUNTIES HAVING POPULATIONS OF LESS THAN 50,000 PERSONS

The Division of Community Planning has been authorized to act in behalf of towns, cities and counties in obtaining Federal planning grants covering up to two-thirds of the costs of eligible planning projects. These Federal planning grants are not made directly to the local government but are made to an authorized state planning agency. The towns, cities or counties receiving aid from the planning grants also pay their share of the planning costs to the state planning agency. The state planning agency, which in North Carolina is the Division of Community Planning, is then responsible for the expenditure of the Federal and local funds and for the provision of adequate planning services to participating local governments. These Federal planning grants, authorized under Section 701 of the Federal Housing Act of 1954, as amended, are available to aid in the cost of: (1) making studies of population, economy, land use and traffic; (2) preparing long-range plans for future land use, thoroughfares, central business districts, schools, parks, recreation and other community facilities; (3) preparing related ordinances such as zoning and subdivision regulations; and (4) preparing public improvement programs establishing the priority of need for the various public improvements proposed in the long-range plans.

AREA PLANNING OFFICES

The individual small town or city cannot support the cost of maintaining its own professional planning staff but by pooling its resources with those of neighboring communities, a joint planning staff can be financially supported. In order to encourage the smaller towns and cities to initiate and support effective planning programs, the Division of Community Planning has established three Area Offices in the State. These offices serve the Eastern, Central and Piedmont areas. Western North Carolina communities participate in this program through the staff of the Western North Carolina Regional Planning Commission, located in Asheville. These Area Planning staffs act for the smaller communities in much the same manner as the planning departments in the larger municipalities. They are available to provide continuing planning assistance to the smaller municipalities, not only to assist in the preparation of plans but also to provide technical assistance needed by municipal officials for the solution of day-to-day problems affecting the physical development of the community. The establishment of these Area Planning Offices is the result of an increasing realization among municipal officials that planning should be a permanent function of local government. This is especially true in periods of rapid urban change and growth. The completion of a comprehensive plan provides the framework for decisions about the desirable development of the community, based upon the best available knowledge of population growth, economic potential, and land use trends within the community. But the plans have little value unless a continuing community planning program is maitained to insure that decisions affecting the physical development of the community are made within the framework of the plans and within the financial capacity of the community. Since many technical questions are involved, municipal officials need professional planning assistance available to them on a continuing basis. Such assistance is available to all towns, cities, and counties in the State.

COMMUNITIES RECEIVING PLANNING ASSISTANCE

On July 1, 1962, the Division had 78 contracts with 69 municipalities and counties to provide them with technical planning assistance. By June 30, 1964, the Division had 114 contracts with 96 municipalities and counties, and 31 other contracts were awaiting Federal approval. Of the 96 communities being assisted on June 30, 1964, 42 of them were undertaking advanced planning programs that built upon studies and plans completed in earlier contracts with the Division.

The table below compares the number of communities being served in 1962 with those served in 1964, by city size. It is noteworthy that the increase in the number of communities involved in local planning assistance projects occurred entirely among communities under 20,000 population in size. The greatest increase was in communities with between 2,500 to 5,000 people.

Population of Cities and Counties	Total No. In N. Carolina	No. Being Assisted July 1, 1962		No. Being Assisted June 30, 1964	
		Localities	Contracts	Localities	Contracts
Cities up to 2,500	383	20	21	32	35
2,500- 5,000	59	13	15	21	26
5,000-10,000	30	11	12	16	21
10,000-20,000	18	8	11	14	18
20,000-30,000	6	3	4	2	2
30,000-40,000	3	2	2	2	2
40,000-50,000	2	2	2	1	1
TOTAL	501	59	67	88	105
Counties (under 50,000 pop.)	69	10	11	8	9

WESTERN NORTH CAROLINA REGIONAL PLANNING COMMISSION

In the seventeen far-western Counties of North Carolina, planning assistance is provided by the staff of the Western North Carolina Regional Planning Commission, whose offices are located in Asheville. Between 1962 and 1964, this agency greatly increased its effectiveness by employing a staff of six professional planners and other supporting personnel. Of the 96 localities being assisted through the local planning assistance program in June 1964, 18 of them received this assistance directly from the Western N. C. Regional Planning Commission, acting under subcontract to the Division of Community Planning.

FORESTRY

The Forestry Division, commonly known as the North Carolina Forest Service, operates under statutes in effect for a number of years. These statutes assign broad responsibilities and authority to the Division on 18 million acres of forest land in private and State ownerships. A quotation from the law outlines the basis for the more specific laws, ". . . have charge of forest maintenance, forest fire prevention, reforestation and protection of lands and water supplies by the preservation of forests. . . ." There are also specific authorizations including, ". . . to arrange for and accept such aid and cooperation from the several United States Government Bureaus and other sources as may assist in carrying out the objectives of the Department." A detailed account of the activities of the different branches of the Division follow some subjects of general interest.

1. **Forest Fire Control.** The spring fire season of 1963 was the worst in a number of years. April 4, 1963, was probably the most hazardous day of forest fire weather in this century. The destruction of timberland and property was considerable. There was an estimate of 7¼ million dollars worth of damage during this year or over six times the damage of the two previous years.

2. **Forest Survey.** As of June 30, 1964, two units (northern coastal and southern coastal plains) of the third forest survey of the State by the U. S. Forest Service have been completed and preliminary estimates published. Previous statewide surveys were completed in 1937 and 1955. Quoting from preliminary releases of the Northern Coastal Plains statistics, "The recently completed third forest survey shows a continuation of the general improvement in the timber survey indicated by the second survey." This statement is expected to hold true for the entire State when the comparative figures are available. **North Carolina Lands,** a publication of the results of a four year study under the leadership of the American Forestry Association with many cooperators, will be ready for distribution in October 1964. It concludes that forests have been and will continue to be of great importance to the economic development of North Carolina.

3. **Legislation.** One important and far-reaching piece of legislation was passed during the 1963 General Assembly. All the sections of the General Statutes referring to cooperation with the counties of the State were amended to permit county cooperation not only in forest fire control but reforestation, forest insect and disease control and forest management. The law had previously limited the cooperation with the Forestry Division to forest fire control exclusively.
The pine tree was designated as the official State Tree.

4. **Forest Fire Control Training.** During the summers of 1963 and 1964, a training session was held at the Kinston Facility for forestry students from Clemson, N. C. State, Duke and V.P.I. These were very popular with the students and professors. The field problem with students in charge was particularly instructive. The idea was to fill the gap in the instruction in the forestry schools where scientific forest fire control was weak in scope. Some 140 students and professors attended the 1964 two and one-half day session and were enthusiastic over the results.

5. **Governor's Advisory Committee on Forestry.** In December of 1961, Governor Terry Sanford appointed the Governor's Advisory Committee on Forestry consisting of 18 members. This committee was to study the forestry problems in North Carolina and report to the Board of Conservation and Development through the Board's Forestry Committee. The Governor's Committee called on the N. C. Forestry Council, professional foresters in varied fields, to revise the Long Range Forestry Program for North Carolina. The revision of the program, after a number of conferences, was presented to the Board of Conservation and Development by the Governor's Advisory Committee at its meeting at Nags Head in the summer of 1963.

The Board accepted the report but the Advisory Committee was asked to make more specific recommendations in three areas as follows:

1. The desirability of eliminating the requirement of County financial participation in the Division of Forestry's activities making the program statewide instead of partially dependent on county funds. After a careful polling of the sentiment of the county commissioners of 94 counties, it was found that the county

commissioners desired overwhelmingly to continue the present system. Under these circumstances no further action was recommended although there were a number of features which seem to make the change desirable.

2. Increase in funds available for forest fire control. After a careful analysis of values protected and the risk, it was recommended that present annual expenditure of 12.7¢ per acre be increased to the new area and cost figure of 33¢ per acre per year or an annual combined Federal, State and County contribution of 6 million dollars annually for forest fire control.
3. Need for sub-professional forestry education program in North Carolina. To fully understand this problem, the entire report should be read; however, the report states there is no need for the establishment of a school to train forestry technicians in North Carolina but there is a need for vocational training in skills needed in forest work. This should be handled on a on-the-job or a local-training school basis.

FOREST FIRE CONTROL

The record of forest fire losses in North Carolina over the past eight years indicates that material progress has been made in reducing the fire losses including the so-called ground burning area which embraces approximately two million acres in the Coastal Plain. Forest fires in this particular type are extremely difficult to extinguish under dry conditions due to the ground cover and the inaccessibility of the area. This is the most difficult forest fire problem in the State and the problem is made more critical by the numerous and extensive land clearing operations in this area involving the burning of long rows of bulldozed material such as stumps, roots, parts of trees, and other debris which often burn for months at a time; and then when critical weather conditions occur, the fires escape to the forest land.

The 1963 spring forest fire season was one of the most critical ever experienced in the history of the Forestry Division. Weather conditions remained in a critically serious state for over two months and April 4 was the most severely critical day ever experienced.

One large fire occurred in the ground burning area on April 4 escaping from numerous land clearing operations, and burned 70,000 acres of timberland and 40,000 acres of open non-timberland in the Hyde-Washington-Tyrrell County area before it could be finally extinguished several days later. A large fire also occurred on April 4 in Carteret County and burned about 12,000 acres of timberland and 15,000 acres of open land. The third largest fire occurred on April 4 in the Pine Bluff area of Moore County, and burned about 22,000 acres of timberland before it could be stopped with considerable assistance from rural and town fire departments and Fort Bragg.

These three major forest fires and many other less serious but still large forest fires burned under extreme fire weather conditions requiring the use of water dropping planes and all available equipment and much excellent cooperation from Industrial, Development, and Private landowners and the Prison and Highway Departments as well as a considerable number of rural and town fire departments throughout the State.

In late October of 1963 forest fire and weather conditions became critical in the western part of the State where it was so dry that it became necessary to "dig out" the fires than keep manpower patrol on them for several days. On October 28, 1963 the Governor closed the woods by official Proclamation to all hunters, trappers, and other persons and forbade the starting of any fire in or near the woodlands. With light, scattered rains on November 1, this Proclamation was lifted on the Mountain Region.

During the spring of 1964 forest fire weather conditions were considerably less serious than those of 1963, the most critical period being less than a month during May. The largest fire that occurred was about 3,000 acres located along the Pender-Sampson County line, and the next largest was a 1,350 acre forest fire that occurred in Scotland County.

The basic and equipment development research project, carried on in cooperation with the U. S. Forest Service and Forest Industry, in the ground burning and Lower Coastal areas was continued with much progress being made. The largest losses is areas burned by forest fires in the State are usually in these areas and normally only a few large fires are involved in these difficult areas.

The operation of three water dropping planes was continued by the Forestry Division and proved to be of great value in the suppression of high intensity fires and smaller fires in isolated locations. In the spring of 1963 it was necessary to employ a contract 2,000 gal. water dropping plane for about 20 days to assist the Forestry Division planes in making drops on numerous forest fires that occurred. It has been necessary from a safety standpoint to replace the earlier military conversion types of these water dropping planes with commercial types that are much more efficient and safer.

Financial cooperation with the State under the provisions of the Clarke-McNary Law was continued by the Federal Government through the U. S. Forest Service. The amount of Federal funds made available under this cooperation depends primarily on the State Appropriation for Forest Fire Control and the State maintaining its relative position with other States in appropriation and expenditures for Forest Fire Control.

PRESENT ORGANIZATION

The State is organized into four Forestry Regions, those being the Lower Coastal, Upper Coastal, Piedmont and Mountains. All but the Mountain region has a Regional Forester in charge who supervises four District Forest field supervisory Districts in the Lower and Upper Coastal Plain Regions and two in the Piedmont Region. The three Mountain Districts having no Regional Forester work directly under the Raleigh Office. Each of the 13 District Forest field supervisory offices is in charge of a District Forester who supervises the work in the area of from about 1 to 2 million acres of timberland involving from 4 to 10 counties depending on size. The District Foresters have 1-4 supervisory assistants. There were 92 counties cooperating with the Forestry Division as of June 30, 1964.

STATE PLANS

The forest fire plan for the State for large project fires, involving cooperation with the Highway and Prison Departments, other State Departments, Marine Corps at Camp Lejeune, industrial and other landowners, and town and rural fire departments was used on the three major forest fires in 1962 and many other smaller ones with excellent cooperation and results from all concerned.

Training Schools in large fire organization and suppression have been held each year for the Lower Coastal Region in cooperation with Forest Industry, industrial and other landowners, and the Marine Corps. A cooperative fire suppression agreement with the Marine Corps is a part of the above-mentioned fire plan for the State. In addition, similar training schools in large fire operations and multiple fire situations have been held in the Upper Coastal Plain in cooperation with the Wildlife Commission, industrial and other landowners and rural fire departments.

The Rural Fire Defense Plan involving cooperation with State Civil Defense and the U. S. Forest Service has been continued and provides for the coordinated use of equipment and manpower resources of Federal land protection agencies and the State Forestry Division in case of natural disasters and/or enemy attack. The Chairman of this Rural Fire Defense Committee is the State Forester and the Committee will operate under the overall direction of the State Civil Defense Director in cases of natural disasters and/or enemy attacks.

COUNTY COOPERATION

Work has been continued in financial cooperation with the 92 counties under forest fire control, such work being based on the County as a unit. This form of cooperation has met widespread support from the various Counties. The Department cooperates with the various counties on the basis of their ability to pay as indicated by each County's taxable wealth. The counties pay from 25% to 40% of the total cost of fire protection within the county.

As of June 30, 1964 there were eight counties representing about 1,080,900 forest acres in the State still without any organized form of forest fire protection.

PRIVATE COOPERATION

Financial cooperation was continued with private forest owners who agree to pay an annual amount which is used to supplement other available funds to provide more intensified fire protection to their lands.

DETECTION SYSTEM

The Forestry Division now operates 146 fire lookout towers and Federal land ownership agencies operate an additional 42 such towers in cooperation with the Forestry Division for reporting forest fires. The Division also operates seven State-owned reconnaissance airplanes which supplement the tower network in periods of unfavorable visibility and these planes aid the ground crews by giving directions, fire progress and locations. Another valuable service is the parachuting of food, drinking water, coffee and small items of supplies to the crews.

FORESTRY DIVISION COMMUNICATIONS

Currently there are 160 fixed stations, 484 mobile and 70 portable two-way communications radios in operation by the Forestry Division along with a considerable mileage of telephone line. Most of the fixed station radios are in lookout towers and District Offices and the mobile radios are on pick-up trucks, jeeps, larger trucks, station wagons, and other fire suppression vehicles.

PERMANENT IMPROVEMENTS

Two new 120 ft. steel lookout towers were constructed, one at Hobucken in Pamlico County and the other at Maxton in Robeson County, both on newly acquired sites. New sites were acquired for the Wilson Tower and the Greens Cross Tower, the latter one in Bertie County and both of these 100 ft. towers were moved to the new sites due to expiration of leases.

A new five acre District Headquarters site with good deep well was purchased for the Rockingham District and plans are being made for the construction of a new District Warehouse-Workshop building and a new District Office on this site.

Rough grading work, involving the moving of about 10,000 cubic yards of earth, and the construction of an entrance drive across a stream requiring two 78-inch culverts with headwalls were completed on the Sylva District Headquarters site in Jackson County.

Two additions to the New Bern District warehouse and shop building, the installation of a large overhead door and interior changes materially increased the functional use of this building.

Equipment Shelters were constructed at the Louisburg and Southern Pines Towers for tractor-plow and truck units.

A prefabricated metal Radio Shop building was constructed at the Lexington District Warehouse for use at the Radio Engineering working in the Piedmont area. An equipment shelter and improvements to the warehouse and shop building were completed at the Asheville District headquarters.

Tower site leases were renewed for the Bearwallow Tower in Buncombe, Chambers Mountain Tower in Haywood, Woodville Tower in Bertie, and the Liles Tower in Halifax. The tower sites for the High Peak Tower in Burke, Hawshaw Tower in Avery, High Windy Tower in Buncombe, Dave's Mountain in Randolph, Mount Tirzah Tower in Person, Jackson Tower in Northampton and the Scuppernong Tower in Washington County were all acquired by purchase and transfer due to expiring leases. Negotiations with landowners for acquisition of a number of other tower sites are underway and these sites will be acquired as lease expirations require.

The construction of a small tower residence at the Giddenville Tower in Sampson County was advertised for bids in June 1964 and this will be completed early in the next Biennium.

A contract was executed with an architect for the design, plans and specifications on a new District warehouse and workshop building at Whiteville to replace the one burned by lightning in May of 1962.

FOREST FIRE STATISTICS

The forest fire statistics for the past four years are shown in the statistical chart. In evaluating these statistics, the following factors must be kept in mind:

1. Climatic conditions are all important in the actual suppression of forest fires.
2. Funds expended represented only a little over one-third the amount needed for adequate protection.

CONCLUSION

The statistics below indicate that the 1963 Fire Season was considerably more severe than the three preceding ones and this was principally due to more critical climatic and weather conditions. The 1963 Fire Season is more appropriately comparable with such years as 1957, 1955, and 1941, when weather conditions were of comparable severity, and this comparison indicates that material progress has been made in controlling forest fires with significantly smaller acreage losses. Cooperation from all State and Federal agencies, landowners and the general public is indicative of progress made in Forest Fire Prevention and Control.

FOREST FIRE STATISTICS FOR STATE PROTECTED AREAS BY CALENDAR YEARS

	1960	1961	1962	1963
Area under Protection—Acres	17,276,800	17,279,400	17,279,400	17,279,400
Number of Fires	3,002	3,417	3,237	4,826
Causes of Fires				
1. Lightning	34	18	88	55
2. Campfire	337	431	82	128
3. Smoking	613	681	796	1,190
4. Debris Burning	990	1,075	1,067	1,641
5. Incendiary	489	573	600	963
6. Machine Use	57	40	185	263
7. Miscellaneous	482	599	419	586
Total	3,002	3,417	3,237	4,826
Area Burned:				
Forest Land	71,733	53,374	48,518	204,638
Open Land	4,650	5,419	3,996	73,308
Total	76,317	58,793	52,532	277,946
Damage:				
Forest Land	$ 675,088	$ 367,527	$1,318,000	$6,418,200
Other	20,816	80,951	56,000	697,600
Total	$ 695,904	$ 448,478	$1,374,000	$7,115,800
Law Enforcement:				
Number of Fires Resulting in Law Enforcement Action	200	245	210	373
Finances—Fiscal Years	**1960-61**	**1961-62**	**1962-63**	**1963-64**
Appropriations by Counties	$ 343,863	$ 379,058	$ 400,987	$ 439,490
Appropriations by Private Owners	30,183	31,644	26,871	30,722
Appropriations by State	991,369	1,332,008	1,288,285	1,421,934
Rental from Employees	8,893	8,844	9,043	8,741
Appropriations by Federal Government	311,057	438,025	420,400	450,400
Presuppression Fire Lines	2,508	2,682	2,478	5,289
Bladen Lakes State Forest	8,844	8,844	8,844	8,844
Miscellaneous	594	639	718	1,230
Total	$1,697,311	$2,201,744	$2,157,626	$2,366,650
Available Funds:				
Per Acre Protected	9.82 cents	12.74 cents	12.48 cents	13.69 cents

FOREST MANAGEMENT

The importance of forestry to the present economy of North Carolina and the general welfare of its citizens is well illustrated by the benefits derived from growing, harvesting, manufacturing, transporting and selling forest products. The wood and wood fibre growing on 20 million acres, 64% of the total land area, is the basic raw material for 45% of the manufacturing establishments in the State.

Investments in wood-using industries, located in every county, are second only to the textile industry. The state ranks first in the nation in the manufacture of wood furniture and the production of hardwood plywood and veneer, and first in the South in lumber production. It is also a leading producer of pulpwood, pulp and paper. The value of products manufactured from this North Carolina grown wood amouts to more than $1 billion annually.

The forest industries employ 20% of the total labor force of the state, being exceeded only by the textile industry. In manufacturing employment, the Tar Heel State leads the entire South in the fields of lumber and wood products, in furniture and third in the field of pulp and paper.

It is significant that after nearly 300 years of contributing immeasureably to the growth and development of the state, the forests are still intact. They have, in fact, been increasing in area and productivity for at least 25 years. The forests of North Carolina are the State's greatest natural resource.

Few states have the potential for growing the diversity of raw materials of the forest as North Carolina: the pulpwood, sawtimber, veneer and special products of the "Southern Pine," and the river bottom hardwood of the coastal plains and Piedmont; the white pine and "Appalachian Hardwood" of the mountains. The forests also provide watershed protection, soil and water conservation; wildlife habitat, and recreational benefits.

North Carolina, with 4% of the nation's commercial forest area, currently supplies 5% of the total annual cut. The recently completed third forest survey of the forest resources of the Coastal Plains shows a marked increase in the volume of sawtimber during the past 10 years. Cubic foot volume of the eastern hardwood increased only slightly, however, with a very limited increase in hardwood sawtimber volumes.

The state has enough forest land of high productive capacity to easily meet anticipated demands of industrial growth and population expansion. Proximity to the eastern industrial markets gives North Carolina a distinct advantage over other lumber producing states in the saie of quality forest products. Growing increased quantities of timber, without regard to quality or species, will not necessarily meet present or future needs. Unmerchantable species, low quality hardwood, and cull trees occupy much of the present forest growing space.

The furniture plants in North Carolina currently import at least 50% of their domestic lumber requirements because of a shortage of native hardwood suitable for the high quality furniture for which they are famous. The market for North Carolina's southern pine sawtimber is presently being threatened by the well manufactured lumber from the virgin forests of the west coast. If North Carolina is to maintain its position as the largest producer of lumber in the South and fifth in the nation, the quality of trees from which the lumber is produced, and the manufacturing, processing and grading of the lumber produced must all be improved.

Research in forest genetics and forest management have led in to the development of trees of superior quality that will produce products to meet the specific needs of each forest industry. The management practices of the pulp and paper industries are being geared to growing trees with a wood fibre content consistent with their particular requirements.

The North Carolina Division of Forestry has initiated a tree improvement program designed to assist non-industry forest landowners in growing superior quality trees that will meet present and future demands of all segments of the Forest Industry.

The 200,000 farm woodland owners of North Carolina with forest holdings averaging 60 acres will continue to be a key to future supplies of wood. These farmers own more than twice as much forest land as do all others together, and their woodlands, because of exploitation and neglect, are among the least productive. The lands offer the greatest need and opportunity for improving the quality and supply of timber.

It is to the owners of these potentially highly productive but presently understocked and unmanaged farm forests that the Division of Forestry offers professional forestry services. The outstanding feature of this activity is that the private landowner is given in-the-woods advice and assistance on how best to manage and market his timber.

When advice or assistance is requested, the forester makes a thorough reconnaissance of the farm forest to evaluate the present condition of the forest area and to determine the capability of the soil to produce specific forest products. The forester informs the landowner of these conditions and recommends a plan of action that will maintain or increase the forest growth, and at the same time meet the needs or limitations of the landowner.

Additional services include: Selecting, marking, and estimating the volumes in trees ready for harvest; assistance in finding markets for and selling forest products; elimination of cull trees, undesirable or unmerchantable species and restocking with desirable species; assistance in preparing open fields, cut over or otherwise understocked areas for natural regeneration or reforestation by planting; advice or assistance in obtaining and planting forest tree seedlings.

The professional forestry services of the Division are available to landowners in every county of the state. Sixteen Service Foresters and 15 County Foresters devote all or most of their effort to giving forest management advice and assistance to private forest landowners. Other foresters in the districts provide as much forest

management advice and assistance as their other activities permit. The Division has inaugurated an intensive training program in Forest Management for the non-techical personnel. These employees, particularly the County Forest Rangers, will be qualified to assist the farm woodland owners in the mechanics of carrying out the Forest Management recommendations of the technical foresters.

A nominal charge is made for the marking service. Landowners are charged at the rate of 50¢ per thousand board feet of sawtimber marked; 15¢ per cord of pulpwood marked and 15¢ per seed tree selected. No charge is made for the first 20,000 board feet or ten cords marked.

During the last biennium, nearly 50 million board feet of sawtimber and 51,000 cords of pulpwood that had been selectively marked for harvest were sold. Gross returns to the farm forest landowners for the above volumes amounted to $1,800,000.

SUMMARY OF FOREST ASSISTANCE

	Period 1948-1962	During Biennium 1962-1964	Total to Date
No. of Examinations Made	19,453	* 12,525	31,978
Total Woodland Acres Examined	2,485,161	362,559	2,847,720
No. of Tracts Marked	6,625	1,940	8,565
Acreage Marked	145,145	23,216	168,361
Board Feed Marked	336,889,000	44,476,000	381,365,000
Cords Marked	154,191	42,059	196,250
Acres Given Planting Assistance	180,249	23,249	203,498
Applications Not Acted Upon		470	470

*This total includes the examinations as required in the co-operative work the Agricultural Conservation Program (ACP), Farmers Home Administration (FHA), Soil Conservation Service (SCS), and Conservation Reserve (CR) Programs.

Requests for forestry advice or assistance not permitted by the Division's policy are referred to independent Consulting Foresters. During the Biennium, 237 requests involving 30,990 acres were referred directly to these private foresters. In addition, 118 projects, for which the Division's forester had recommended timber marking, were referred to the Industrial Foresters or Consulting Foresters for marking. They followed the marking recommendations made by the N. C. Forest Service in marking 12,179,000 bd. ft. of sawtimber and 12,941 cords of pulpwood.

INDUSTRIAL FORESTRY

Final plans are being completed for the starting of field work in gathering data to revise the popular publication, "Buyer's of Forest Products in North Carolina." This will be the fourth edition of this listing with a printing of 10,000 copies in the three previous editions.

The preliminary plans call for a commodity drain survey to be conducted in conjunction with the above mentioned listing. This will give an up-to-date picture of the cutting pressure on the forests by counties, species groups, and type of product. This drain survey will again be conducted in cooperation with the Southeastern Forest Experiment Station.

The trend towards complete modernization in the sawmill industry is continuing with most of the mills now in operation being modern, stable plants. It is believed that there has been very little, if any, further reduction in the lumber cut in North Carolina in the past two years. There has been an increase of almost 20,000 cords of round pulpwood and almost 113,000 cords of wood residues for pulpwood. These increases have added over $2,000,000 to the economy of the state through the producers of this additional wood.

Interest in establishing new primary forest industries has been high due to the favorable balance of growth over drain in the state. This interest has been from pulp and paper interests, plywood, particle board, hardboard, and sawmills. The division has supplied much data on resources to these interested parties.

A cooperative study was made by the Division of Forestry, U. S. Forest Service, and the U. S. Corps of Engineers on the Roanoke River bottom. The purpose of this study was to determine the effect of the water release program at the Kerr Dam on the hardwood lumber, veneer and logging industry in the Roanoke River lowlands in N. E. North Carolina. At this time there has been no report of the con-

clusions drawn from this study. The report is to be made by the U. S. Forest Service from the Southern Regional office in Atlanta, Georgia.

NURSERIES

Four forest tree nurseries are now operated by the Division of Forestry. These installations are located in Johnston, Wayne, Burke, and Henderson Counties. They have a combined capacity of 100 million seedlings annually.

Tree seedlings are sold at approximately the cost of production for wind breaks, erosion control, and reforestation at varying prices. The southern pines, which comprise most of the production, sell for $4.75 per thousand F.O.B. Nursery.

During the last year of the biennium, some 620,000 Multi-Flora Rose plants were raised for the Wildlife Resources Commission.

In cooperation with State College and the Soil Conservation Service, ¾ million American Beach Grass plants were raised at the Clayton Nursery for erosion control on the North Carolina Beaches. This effort is continuing with approximately seven million plants ready for distribution during the 1964-65 planting season.

The following tabulation shows the distribution breakdown by species and cooperators.

DISTRIBUTION OF FOREST TREE SEEDLINGS BY SPECIES

Species	1960-61	1961-62	1962-63	1963-64
Arizona Cypress	133,950	271,735	97,950	156,975
Atlantic White Cedar	-0-	1,300	1,700	5,900
Cypress	276,718	106,850	-0-	-0-
Fraser Fir	261,750	396,150	570,800	434,495
Loblolly Pine	32,451,700	24,068,400	21,188,760	23,863,510
Loongleaf Pine	1,590,940	1,219,785	1,230,675	1,029,530
Norway Spruce	-0-	-0-	-0-	11,674
Pond Pine	223,900	188,950	8,000	54,650
Red Cedar	-0-	676,810	363,910	413,675
Shortleaf Pine	293,300	203,300	196,500	165,700
Scotch Pine	-0-	101,700	188,150	321,135
Slash Pine	21,718,720	9,971,010	9,006,360	7,230,450
Virginia Pine	106,100	180,300	129,000	336,500
White Pine	9,019,100	5,731,275	6,688,755	5,655,661
Yellow Poplar	808,300	538,550	828,150	212,500
Red Gum	-0-	-0-	28,100	25,200
Maritime Pine	-0-	-0-	-0-	26 275
Miscellaneous	26,350	114,750	130,616	8,934
Multi-flora Rose	-0-	-0-	-0-	620,100
Beach Grass	-0-	-0-	-0-	769,500
Totals	66,910,828	43,720,865	40,657,426	41,342,254

DISTRIBUTION OF FOREST SEEDLINGS BY CLASS OF COOPERATORS

Class of Cooperators	Number of Cooperators Biennium	Number of Trees 1962-1964	Number of Cooperators Cumulative	Number of Trees Grand Total
Farmers	7,473	45,792,017	71,416	397,737,371
Industries	105	27,198,000	920	210,208,649
Schools	56	489,550	920	3,736,959
State	15	2,430,500	267	10,298,786
Clubs and Organizations	131	527,725	3,080	2,490,839
Municipalities	28	206,550	180	12,123,674
Federal Agencies	14	3,002,000	157	21,607,117
Others	457	1,489,084	1,816	12,868,461
Totals	8,279	81,135,426	78,756	671,071,856
Beach Grass	33	769,500	33	769,500
Multi-flora Rose	1	620,100	1	620,100

TREE IMPROVEMENT

During the biennium, the Division inaugurated a tree improvement program. This activity is operated in connection with Little River and Ralph Edwards Nurseries. This is a highly technical process. Superior trees are located and graded for all

characteristics; i.e., straightness, volume, pruning, limb diameter, crown form, etc. Many miles were traveled by the Division's field personnel to locate and grade these trees.

After a superior tree has been approved, cuttings or scions are taken from the tree during the early spring. These scions are grafted on root stock. If the graft is successful, the grafted trees are planted in a seed orchard the following fall or spring.

At the Ralph Edwards Nursery at Morganton, a seed orchard of some 60 acres is planted, of which some 30 acres have been established of three major species: white pine, Virginia pine, and shortleaf pine.

At the Little River Nursery in Wayne County, 20 acres of land are being prepared for the establishment of a seed orchard of superior scions of loblolly pine.

Approximately 20 acres of a Fraser fir stand on Roan Mountain of the National Forest is being preserved to assure a future seed source.

PUBLICATIONS

The eleventh edition of "Common Forest Trees of North Carolina" was reprinted in 1964. To date 95,000 copies of this publication have been distributed to school teachers and pupils. One copy is given free to the teachers, pupils and others are charged 20c per copy.

A brochure on the Bladen Lakes State Forest is available to show progress and developments on this area with a revision during the next biennium.

A booklet designed to assist forest landowners in marketing various products entitled "Buyers of Forest Products in North Carolina" was revised in January 1963 with distribution limited to specific requests.

BLADEN LAKES STATE FOREST

Bladen Lakes State Forest is essentially a large forestry exhibit and demonstration; an area where professional foresters can express themselves through the development of new techniques of management; an area where large experiments on a broad front can be conducted in cooperation with other agencies; an area where young Divisional Foresters can be provided practical training which will be of great future value to the citizens they serve; an area where any interested person or group can observe and study a broad program of forest management including operational techniques; natural and artificial regeneration techniques, use of controlled fires, site preparation, logging, lumbering, pulpwood and fence post operations, silvicultural techniques, road construction techniques, methods of cost control, methods of management control, production of superior seed from orchards, etc.

All of these operations and demonstrations are completely self-supporting and have been since the inception of the State Forest as a managed unit in 1939.

A large variety of expansion and demonstration activities are conducted. As examples: during the past two years over **4,225** acres were control burned as a fire prevention measure; some over **700** acres were burned for site preparation purposes; approximately **1,225** acres were planted to pine seedlings—all on prepared sites; some over **577** acres of area were sprayed by plane as a site restoration preparation and hardwood release technique; an additional **596** acres of pine plantation were released from competing hardwoods using brush cutters, mist blowers, tree injectors, etc.; someover **90** acres were scarified beneath existing seed trees as a natural regeneration additive; several hundred persons were conducted on field trips through the forest; over **100** miles of roads were maintained and improved with several miles of new roads or interior access trails having been constructed during the period; all buildings were maintained, many improved; cost analysis were prepared for all major operational activities at periodic intervals; extensive fire prevention techniques were employed; plus many varied activities too numerous to mention in such a condensed report.

It may be interesting to note that as a result of the fire prevention and suppression activities developed and employed, no uncontrolled forest fire of any consequence has burned on the State Forest since April 1955.

Currently a major project being undertaken is the establishment of a longleaf pine seed orchard on Bladen Lakes State Forest for the production of superior seed. Last year approximately 500 scions were grafted as an experimental and training measure. In the spring of 1965 it is planned that over 2,000 such superior tree

scions will be grafted onto young root stock in our seed orchard area. In addition to experimental projects previously reported, currently many additional projects are being undertaken to include: use of micro-injector for hardwood control; use of "Dybar" and "Hybar" for hardwood control; use of planes for aerial application of 245-T; plus several studies being conducted on the State Forest by the School of Forestry at Raleigh.

Extensive training programs and self-improvement programs for State Forest personnel have been under way for several years. In addition to "on the job training" State Forest supervisors and selected key men have made wide use of the splendid facilities of our Industrial Education Centers for specialized training. During the past year such training includes: a 60 hour course of instruction in Automotive Electricity; a 40 hour course of instruction in Automotive Tuneup; a 40 hour course of instruction in Small Engine Repairs; a 40 hour course of instruction in House Wiring and Plumbing; a 40 hour course of instruction in Machine Shop; and currently a 70-80 hour course of instruction in Electric Welding. In addition, each summer, employment opportunities are provided for student foresters—this program has resulted in a valuable source of recruits for the Division of Forestry.

Currently, in addition to the above projects, during the past two years over $15,176.88 has been paid from Bladen Lakes State Forest receipts to the County of Bladen in taxes; $20,136 has been utilized by the Division of Forestry for other purposes; and $5,752 has been turned over to the local county fire organization to provide better county-wide fire protection.

Below is outlined a detailed summary of receipts for the biennium which will indicate in detail the sources of all income. A second table will indicate the total yearly gross receipts since the inception of the State Forest in 1939.

RECEIPTS

BLADEN LAKES STATE FOREST

Fiscal Years 1962-63, 1963-64

Fiscal Years 1962-63, 1963-64

3,602,316	Board Feet Rough Green Lumber	$220,326.56
245,581	Board Feet Logs	6,305.28
8,963.10	Cords Pulpwood	105,969.94
22.00	Cords Oak Wood Stumpage	22.72
9,883.49	Tons Debarked Slabs	41,453.13
4,197	Pounds Charcoal	194.62
35,533	Treated Pine Posts	21,948.70
	Pine Straw	1,396.42
	Custom Treating	1,479.27
	Miscellaneous	340.10
	Rentals and Sale of Equipment	6,796.20
		$406,232.94

YEARLY GROSS RECEIPTS SINCE THE YEAR 1939

Year	Amount
1939-40	$ 169.24
1940-41	1,092.57
1941-52	8,786.37
1942-43	16,761.72
1943-44	31,794.00
1944-45	41,848.13
1945-46	26,793.95
1946-47	32,038.56
1947-48	31,045.46
1948-49	52,597.53
1949-50	61,189.83
1950-51	93,013.21
1951-52	95,008.23
1952-53	85,735.81
1953-54	85,592.77
1954-55	95,388.02
1955-56	103,415.33
1956-57	106,850.65
1957-58	123,529.40
1958-59	173 024.78
1959-60	194,266.72
1960-61	183,290.28
1961-62	199,428.29
1962-63	202,260.94
1963-64	203,972.00
	$2,248,893.79

FOREST INSECT AND DISEASE CONTROL

The Pest Control Branch of the Forestry Division reached an important milestone in its growth during this biennium. January 1, 1964, marked the beginning of a cooperative program with the U. S. Forest Service in forest pest control. Previously financial cooperation had been given only for control work on special pest outbreaks. Now the U. S. Forest Service contributes one-half of the expenditures on everyday pest control activities such as detection, training and administration. At present there is a limit of $15,000 of Federal funds available annually.

North Carolina can take much of the credit for promoting and organizing this cooperative program nationwide. North Carolina's agreement was the first one completed in the entire United States and it has been and is being used as a guide by other states. This additional help has enabled the Division to employ an urgently needed pest control forester for the eastern part of the State. This forester was employed on January 1, 1964.

Much of the routine pest control work has been carried out by the field forces of the Division. However, it was necessary to give special emphasis to several major insect and disease problems. The destructive insects of major importance were the southern pine beetle, balsam wooly aphid and the pine weevils. The diseases creating special problems are the oak wilt, white pine blister rust and the Dutch elm disease.

SOUTHERN PINE BEETLE

During the summer of 1962 the southern pine beetle (**Dendroctonus frontalis**) reached epidemic proportions. It is estimated that more than one-half million dollars worth of sawtimber and pulpwood was killed by this insect. In December 1963 the State Forester used his authority under the General Statutes to declare a Zone of Infestation in the following counties: Mecklenburg, Union, Gaston, Cleveland, Lincoln, Cabarrus, Stanly, Rowan, Davidson, Randolph, Guilford, Forsyth, Stokes, Davie and Yadkin.

During December the Council of State allotted $75,000 from the Governor's Emergency and Contingency Fund to be used for the control of the widespread infestation. Through the cooperative agreement with the U. S. Forest Service, $25,000 was allotted from Federal funds.

Controls efforts were started in January 1963. Primary emphasis was given the salvage of all infested trees. Landowners were contacted and urged to sell or allow the Division to sell the dead or dying timber. In some cases the volume of timber involved was not large enough to allow a sale to be made. In such cases these trees were sprayed with Benzene Hexachloride. During the peak of the control work, as many as 50 individuals including foresters and special employees were employed to handle the salvage and contact work. As many as 12 treating crews were operating at the peak of the control effort.

The outbreak continued on through the summer of 1963 but diminished somewhat over the winter of 1963-64. By early summer of 1963, it was decided to discontinue further control efforts with the understanding additional control might be needed later in the summer of 1964.

An additional allotment of $25,000 from the Governor's Emergency and Contingency Fund was made in the fall of 1963. The U. S. Forest Service also made available one-half of this amount.

During the entire control period of this biennium 84,700 trees were chemically treated and 184,964 trees were salvaged. Over 5,000 different landowners were contacted during the epidemic period. This salvage involved 18,325 cords of pulpwood and 3,771,000 board feet of sawtimber.

BALSAM WOOLLY APHID

The balsam woolly aphid continues its spread in North Carolina. In addition to the serious infestation of the southern balsam in the Mt. Mitchell-Black Mountain area, it has been discovered during the past two years on Roan Mountain, Grandfather Mountain and in the Great Smokey Mountains National Park. Also an infestation on ornamental balsam trees has been quite common in Watauga, Avery, Mitchell and Yancey counties. Only the Richland Balsam area has not been invaded by the aphid.

The Division, in cooperation with the U. S. Forest Service has established a natural seed producing area on Roan Mountain on U. S. Forest Service lands. This area has been reserved and an intensified effort will be made to protect the fir trees in order that a seed source be perpetuatd. The planting of fir trees throughout the mountain area for Christmas tree production has become increasingly important from an economic standpoint.

The U. S. Departments of Agriculture and Interior cooperating with the N. C Department of Conservation and Development has published a tri-color leaflet entitled "Balsam Woolly Aphid Attacks Fraser Fir in Appalachians." This leaflet has been widely distributed in order to keep the public informed as to all the details concerning the aphid and its effect on the survival of the Fraser fir type. The Division of State Parks has continued its effort to protect by spraying certain high-value, scenic areas in the Mt. Mitchell State Park where up to 20% of the balsams are now dead or dying.

PINE WEEVILS

Several of the large landowners in eastern North Carolina have been developing vast areas of "pocosin" and other poorly drained lands by digging canals for drainage, harvesting and present timber growth, preparing the site and planting to a different species of pine. This operation has made conditions favorable for the build up of the pales and other related weevils. After the new seedlings are planted, serious mortality has been caused by these chewing weevils. This is a relatively new problem in the south and of major importance in certain areas. Because so many unknown factors are involved, the Division in cooperation with the U. S. Forest Service and Riegel Paper Corporation has initiated a series of field studies hoping to find a solution to this problem. Some progress has been made during the last two years and it is now possible to predict conditions where damage from this insect will occur. Thus if certain time schedules are followed in harvesting and site preparation for planting, it is felt the danger from damage can be eliminated over much of the problem area. The study will be expanded to other sections of the state where damage is likely to occur.

OAK WILT

The oak wilt control effort has been essentially the same since 1954. It involves an aerial survey of all areas where oak wilt is known or is suspected. The area is surveyed by air twice during the summer season. All trees located from the air are checked on the ground. If the tree is determined to be infected with the oak wilt disease, it is cut and sprayed completely with an insecticide-fungicide. This is to prevent insects from carrying the disease oganism to other trees and areas. Oak wilt has been found in Buncombe, Haywood, Madison, Jackson and Swain counties. The annual number of trees killed by this disease is still relatively small; however, it is hoped North Carolina can avoid the heavy losses from this disease as occur in the midwest. Only 61 trees were killed in 1963.

WHITE PINE BLISTER RUST

The control of white pine blister rust disease is continuing. There have been no basic changes in the conduct of this project during the past few years. Each year pre-planting inspections are made on private lands of owners planning to plant white pine. This inspection is made to determine if the area to be planted is free of ribes bushes (currents and gooseberry). These bushes are the alternate hosts of the white pine blister rust disease. Sometimes it becomes necessary to eradicate the bushes before or immediately after the white pine seedlings are planted. If more than one day's work is involved, the landowner usually furnishes the labor for the work. During the past two years, type maps have been made showing the locations of the natural and planted white pines stands and the areas where ribes bushes are known to exist.

DUTCH ELM DISEASE

In 1962 one of the foresters in the Division discovered the Dutch elm disease on an elm tree in Greensboro. During the summer of 1963 a State-wide survey was made to determine the extent of the disease in the State. Dying elm trees were

discovered from Winston-Salem on the west to Conway in the east and from the Virginia line south about midway through the State. The percentage of elm trees in the different municipalities surveyed was also determined. These percentages varied from about 2% to 20%. It is expected that the Dutch elm disease will gradually build up in this area and in other parts of the State. Losses should not be as great as they have been in some of the States in northeastern United States because the elm tree is not used as a shade tree as extensively throughout North Carolina.

SMALL WATERSHED PROGRAM

The objectives of this program is to provide mode intensive watershed protection and development in our nation by reducing damages by floodwater and sediment, maintenance of desirable conditions of streamflow, protection of water quality, and maintenance of soil productivity at a high level. The Forestry Division's major objective is to improve the hydrologic conditions of forest lands through cooperative Federal, State, and local action.

The Forestry Division completed its sixth year of participation in this program through cooperative agreements with the U. S. Forest Service and the Soil Conservation Service. Watershed technical forestry assistance was provided on nine of the fifteen active small watershed projects.

Watershed forestry funds were spent only on the Deep Creek, Muddy Creek, and Town Fork Creek projects. Watershed Project Foresters continued to service these three Piedmont and mountain projects. The Deep Creek project forester position; however, was terminated on April 1, 1964; and the Muddy Creek forester position will be terminated on October 1, 1964. We will continue to service these programs with our regular Service Forester personnel now that the accelerated program has been completed.

The six coastal drainage projects—Ahoskie, Bear, Broad, Cutawhiskie, Grindle, and Moccasin Creeks—were serviced by our Cooperative Forest Management program Service Forester personnel. These projects do not pose an erosion problem or require the installation of flood retarding dams. Consequently, they have not required as much need for forestry assistance as the upland projects.

FORESTRY ACCOMPLISHMENTS ON P. L. 566 WATERSHED PROJECTS

	During Biennium 1962-1964	Total To Date
No. of S.C.D. Woodland Conservation Plans Prepared	118	341
No. of Woodland Management Plans Prepared	77	367
No. of Acres For Which Forestry Recommendations Given	14,828	40,584
No. of Acres of Woodland Marked for Cutting	751	1,876
No. of Acres of Forest Land Hydrologically Improved	4,004	6,960
No. of Acres of Critically Eroded Land Planted in Trees	154	604
No. of Acres of All Other Land Planted in Trees	936	2,166

There were not any new projects, requiring a project forester, activated during this period; therefore, it was unnecessary to employ any additional watershed project foresters. Delays in the development and approval of new watershed Work Plans held-up the anticipated expansion of this program.

Congressional approval, however, is assured of at least four new projects early in 1964. Also, possibly as many as 14 other projects will be approved for operations in the next biennium. If most of these projects materialize as planned, the Forestry Division will be called-upon to considerably expand its cooperation in this national soil, water, and forest conservation program.

MINERAL RESOURCES

The Division of Mineral Resources is the official representative of the Department of Conservation and Development in the fields of geology, mineral resources, mining and the treatment of minerals. As designated by State law, "It shall make such examination, survey and mapping of the geology, mineralogy and topography of the State, including their industrial and economic utilization, as it may consider necessary." The primary objective of the Division is to improve the general welfare of North Carolina through a better understanding and a wiser use of its geology, topography and mineral resources.

In order to fulfill its responsibility as set forth above, the Division of Mineral Resources conducts the following programs of work and services:

1. Through its own personnel, and in cooperation with the United States Geological Survey and other agencies, the Division conducts systematic aerial surveys on the geology and mineral resources of specific areas such an individual counties or 15-minute and 7½-minute quadrangles. Such work includes detailed geologic mapping, systematic sampling, petrographic study, and a general appraisal of the geology and mineral resources of each area surveyed. This is a continuing, long-term program which is intended to eventually provide detailed geologic and mineral resource coverage for the entire state.
2. The Division carries out, in cooperation with various state and federal agencies and industrial concerns, a wide range of mineral investigations restricted to the study of a specific mineral or mineral resource. Individual deposits and prospects are studied, mapped and sampled. Mineralogical and petrographic studies are carried out and a general appraisal is made of each deposit and the resource as a whole.
3. The Division cooperates with landowners, prospectors, small miners and citizens of the state by identifying and evaluating specimens of rocks and minerals submitted for identification. Also, upon request, mineral deposits are examined and information furnished as to their value and uses when it appears that the furnishing of such information will advance the general welfare of the State.
4. The office of the Division of Mineral Resources serves as a clearing house for the dissemination of technical information gathered through its program of work and in cooperation with other agencies. This information is made available for distribution through the publication of bulletins, economic papers, information circulars, and reports of investigations. These publications, in addition to being of great practical value to mining companies and individuals, are of considerable educational value and are sold at nominal prices intended to cover the cost of printing.

General

In 1962, mineral production in North Carolina reached a record high of nearly $55 million, close to $5 mililon more than the previous peak year of 1961. However, in 1963 production of mineral commodities decreased for the first time since 1957. Total value of mineral production was $45 million, a decrease of 18 percent below that of 1962.

In decreasing order of value, stone, sand and gravel, feldspar, clays, lithium minerals, and scrap mica were the principal minerals mined during the biennium. North Carolina was first in the Nation in producing lithium minerals, feldspar, sheet mica and scrap mica; second in olivine and crushed granite; and third in talc and pyrophyllite combined.

Production of metallic minerals, copper, iron and tungsten along with by-product gold, silver and lead amounted to only 1 percent of the total value in 1963, whereas, in 1962 it accounted for 9 percent. Also, stone and sand and gravel decreased 13 percent and 12 percent respectively in 1963 as compared to 1962. Feldspar increased in tonnage and value in 1963 and clay increased in tonnage but decreased slightly in value. Talc and pyrophyllite increased in both tonnage and value and production of portland cement was recorded for the first time in the states history.

The average annual value of minerals produced in North Carolina during 1962 and 1963 was $49,745,000. Although there was a significant decrease in 1963, this is the highest two year average annual value on record.

Mineral Production in North Carolina[1]

Mineral	1962		1963	
	Quantity	Value (thousands)	Quantity	Value (thousands)
Abrasive stones (millstones)	(2)	$2	(2)	$2
Clays (3) . . . thousand short tons	2,731	1,782	2,735	1,761
Feldspar . . . thousand long tons	245	2,373	268	1,761
Gem stones	(2)	2	(2)	14
Gold (recoverable content of ores, etc.) troy ounces	460	16	33	1
Iron ore (usage) . . . long tons, gross weight	1,090	13	730	10
Lead (recoverable content of ores, etc.) short tons	219	40	62	13
Mica:				
Scrap . . . thousand short tons	62	1,384	62	1,497
Sheet . . . pounds	320,305	867	(4)	(4)
Sand and gravel . . . thousand short tons	12,516	11,457	11,028	10,132
Silver recoverable content of ores, etc.) troy ounces	100,439	109	26,754	34
Stone . . . thousand short tons	19,308	29,533	15,701	25,683
Talc and pyrophyllite . . . do	100	433	107	446
Zinc (recoverable content of ores, etc.) short tons	——	——	13	3
Value of items that cannot be disclosed:				
Asbestos, cement (Portland), copper, kaolin, lithium minerals, olivine, tungsten, and values indicated by footnote 4	——	6,586	——	2,477
Total	——	54,597	——	44,894

(1) Production as measured by mine shipments, sales, or marketable production (including consumption by producers).
(2) Weight not recorded.
(3) Excludes kaolin, included with "Value of items that cannot be disclosed."
(4) Figure withheld to avoid disclosing individual company confidential data.

As reported by the U. S. Bureau of Mines, mineral production figures include only the mine value of the mineral product and does not take into account any values added by processing or manufacturing. If the value of the state's mineral production was combined with the value added by processing and manufacturing, plus the value of stone and glass products manufactured in the state from both imported and native mineral products, it is conservatively estimated that the average annual value of the mineral industry to the economy of North Carolina is in excess of $150,000,000.

Developments in the Mineral Industry

The biennium 1962-1964 was undoubtedly one of the most important two year periods in the history of the state's mineral industry. A number of significant developments took place during this period, but the Beaufort County phosphate area was the highlight of this development and events that have taken place in this area apparently will have a profound effect on the state's industrial development for many years to come.

In July 1962, the North Carolina Board of Conservation and Development approved and accepted option to lease bids from Texas Gulf Sulphur Company on 9,209 acres of state-owned lands underlying the Pamlico River, and from Magnet Cove Barium Corporation on 16,312 acres of state-owned lands underlying the Pungo River. These option to lease agreements were subsequently approved by the Council of State and Governor Terry Sanford and are now in effect.

In 1961, Texas Gulf Sulphur Company commenced an extensive exploration and land acquisition program in Beaufort County that centered around the vicinity of the Lee Creek area about 10 miles north of Aurora. Their successful bid on the state-owned lands added great impetus to their development plans for a phosphate mining program in North Carolina, and in November 1963 a full scale test mining operation was started at the Lee Creek site. A 20 inch suction dredge was used to excavate the overburden and phosphate ore from the test pit which was about 900 feet in diameter and 136 feet deep. Approximately 900,000 cubic yards of earth were removed during the test mining program and over 100,000 tons of phosphate ore were stored for pilot plant concentration studies.

The test mining program was completed in January 1964 and as a result, Texas Gulf Sulphur Company has determined that in their area of interest the phosphate can be mined from a dry pit by draglines at a lower cost than any other mining method.

On April 3, 1964, Texas Gulf Sulphur Company announced that a 45 million dollar investment would be made in a phosphate mining operation designed to recover 3 million tons of phosphate concentrate annually at their Lee Creek site. The initial investment will be for mining, processing, storage and transportation facilities. To-date, 31 million dollars have been committed for mining equipment and processing facilities. It is anticipated that mining operations will be underway by middle or late 1966.

During the past two years, Magnet Cove Barium Corporation has concentrated most of their exploration and development efforts in their state lease areas on the Pungo River. The depth and character of the ore in this area precludes the use of any standard mining method in use today and Magnet Cove Barium Corporation is attempting to develop a hydraulic mining method utilizing a system of deep wells. Considerable progress has been made and the project manager appears optimistic about developing an economic mining method.

On May 27, 1964, the State offered for lease 992 acres underlying Durham Creek in Beaufort County for phosphate mining purposes. Texas Gulf Sulphur Company and Phillips Petroleum Company were the only companies that submitted bids in this area. At its July meeting, the Board of Conservation and Development recommended that the area underlying Durham Creek be awarded to Texas Gulf Sulphur Company. Final action on the awarding of this area must be taken by the Council of State and Governor Sanford.

North Carolina Phosphate Corporation, which controls considerable land areas on the south side of the Pamlico River, conducted an extensive exploratory drilling program during the past two years, but as yet have not made public any plans for developing their phosphate deposits in Beaufort County.

A number of other major mining companies have expressed an interest in the phosphate resources of Beaufort County and the remaining unleased State-owned lands continue to attract attention.

Another significant development in the mineral industry during the period covered by this report was the construction of the first cement plant in North Carolina by Ideal Cement Company at Castle Hayne in New Hanover County. The plant is highly instrumented and represents a capital investment of 26 million dollars. It has an annual capacity of 3.5 million barrels and started production in July 1963.

Aluminum Company of America completed the $20 million modernization and expansion program of its Badin smelting operation and put its new pot line in production early in 1964. Plans call for the construction of a second pot line during the latter part of 1964.

Lithium Corporation of America announced in 1962 that it had acquired mining rights and purchase options to "one of the most important lithium bodies in the world". The deposits consist of about 470 acres and are located 6 miles from the company plant at Bessemer City. The addition of these reserves bring the company's total North Carolina reserves to more than 20 million tons.

Beryllium Metals and Chemical Corporation began operation at its plant at Bessemer City in 1963. The plant has a capacity of 30,000 pounds a year and produces beryllium from beryl scrap. However, the company plans to construct a plant for the production of beryllium from beryl ore.

Appalachian Sulphides, Inc., was acquired by Copper Range Company in May 1962. An extensive exploration program was conducted by Copper Range for several months in an attempt to find enough copper ore reserves to justify continued mining at the Ore Knob mine in Ashe County. Sulficient reserves of an economic grade could not be found and the mine was closed in December 1962. The Ore Knob mine was reopened in 1954 by Appalachian Sulphides, Inc., after having been inactive since 1882. It was operated continuously until May 1962 and produced copper and byproduct gold and silver.

The Domestic Mica Purchase Program reached its stockpile quota of 25,000 tons of hand-cobbed (crude) mica in June 1962 and the Government Mica Purchasing Depot at Spruce Pine was closed in July 1962. North Carolina had long been the leading producer of sheet mica in the United States and the termination of this purchasing program had immediate effects in the mining industry in the Spruce Pine district. As the U. S. Government was the only buyer of sheet mica, a market for sheet mica no longer existed and as a result, all sheet mica mines in the district closed. Many mica miners and trimmers became unemployed and the effects of this economic setback are still being felt in the area.

Tungsten Mining Corporation, a subsidiary of Howe Sound Company, closed its mining operation near Henderson. Vance County, because the continued decline in the price of tungsten made it impossible to operate the mine economically. The tungsten deposit was discovered in 1942 and operated continuously until June 1958 when it was shut down. The mine was reopened in May 1960 and continued operating until 1962. Considerable tungsten ore is still available at the mine and it is possible that the mine will be reopened in the future if the price of tungsten increases enough to make the ore economic.

Coastal Plains Oil Company, which holds a lease to explore for oil, gas and sulphur on State-owned submerged lands east of the 77th meridian of longitude and north and east of a line from New Bern to Beaufort drilled five exploratory wells in Beaufort County during August and September 1963. These wells were drilled in compliance to the terms of the lease which requires a minimum of 12,000 feet of drilling every two years, and are located as follows:—

1. No. 1 Rodman well, located on the north side of SR 1609, 1.0 mile west of the intersection with SR 1611. Total depth 2012 feet.
2. No. 1 Zeno Ratcliff well, located 700 feet south of SR 1612 and 1.4 miles east of Townsite Acre. Total depth 1963 feet.
3. No. 2 Rodman well, located 2.5 miles south of Terra Ciea on the west side of SR 1619. Total depth 2120 feet.
4. No. 1 West Dismal well, located 4.2 miles north of Acre, and 0.1 mile west of Highway 32. Total depth 1930 feet.
5. No. 1 H.M. Jackson well, located 2.0 miles north of Pinetown on the west side of SR 1508. Total depth 1526 feet.

In December 1963 the lease on State-owned lands held by Coastal Plains Oil Company was assigned to Socony-Mobil Company. Subsequently, in February 1963 Socony-Mobil Oil Company began an extensive seismic exploration program in the eastern Albemarle Sound area in the vicinity of Manteo. The exploration program lasted until August 1963 and included some off-shore work. A representative of the interested parties stated that it would take several months to evaluate the vast amount of data collected from the survey. After the data is evaluated a decision will be made concerning Socony-Mobile's future plans in North Carolina. Under the terms of the State lease held by Socony-Mobile Oil Company a minimum of 12,000 feet of exploratory drilling must be completed by October 24, 1965.

A relatively new mineral industry in North Carolina experienced considerable growth during the past two years. This was the mining and processing of white quartz for decorative architectural panels. Mines are now being worked in Chatham, Randolph, Stanly, Lee, Moore, Jackson and Mitchell counties. Processing plants are located in Cherokee, Mecklenburg, Guilford and Wake counties.

WORK OF THE DIVISION

The work of the Division of Mineral Resources consists of two main programs: (1) mineral commodity studies, and (2) geologic studies. Commodity studies cover specific minerals or mineral deposits such as asbestos, clays and shales, limestones, etc. Geologic studies include detailed geologic mapping and examination of mineral deposits.

Commodity studies during the biennium 1962-1964 included abestos, clay and shale, phosphate and mica schist. A detailed study of the asbestos deposits in western North Carolina was started in 1960 and completed in 1963. The North Carolina State Minerals Research Laboratory in Asheville cooperated with the Division on this project by determining the amount and quality of fiber that can be recovered from the various types of asbestos ore. The results of this study were published as Bulletin 77, "Anthophyllite Asbestos in North Carolina."

A long term cooperative clay testing program has been initiated with the U. S. Bureau of Mines. Under the terms of this agreement the Division collects samples and conducts any necessary geological field studies, and the Bureau of Mines performs a series of pyrochemical tests on the clays to determine their possible economic applications. Tests on a group of white burning clays from the eastern Piedmont and western parts of the State have been completed and a cooperative report on the results of these tests will be prepared in the near future.

North Carolina is now the leading producer of bricks in the United States and it is believed that this clay testing program will be of great value in determining the State's clay resources for future development.

In March 1962, the U. S. Geological Survey, in cooperation with the Division of Mineral Resources and the Beaufort County Board of Commissioners, initiated a detailed study of the phosphate deposits in Beaufort County by use of Gamma-ray logging equipment. The object of this survey was to determine the areal extent, thickness and grade of the phosphorite unit in Beaufort County. All of these factors were determined with a great deal of success and it is concluded that the phosphorite unit underlies about 700 square miles of Beaufort County and contains on the order of 10 billion tons of phosphate ore.

The results of this study have been compiled in the form of a report entitled, "Description of a Phosphorite Unit in Beaufort County, North Carolina". As soon as the report has been approved by the U. S. Geological Survey, it will be published by the Department of Conservation and Development.

Personnel from the Division's branch office in Asheville have cooperated with the N. C. State Minerals Research Laboratory in a study to investigate the possibility of substituting mica schist from Polk County to scrap mica in producing ground mica. Preliminary work indicates that some of the mica schists can meet specifications for ground mica, and that sillimanite, which makes up as much as 3 percent of some of the mica schists, might be produced as a byproduct. This project has recently been expanded to include samples of mica schists over a large area of western North Carolina.

A detail geologic mapping program in Orange County was started in July 1962 and was still in progress at the close of the biennium. It is anticipated that this program will be completed by June 1965.

In the spring of 1962, personnel of the Division's Asheville branch office began a regional study of the relationships of the rocks of the Inner Piedmont to those of the Blue Ridge with the thought it might uncover unknown mineral deposits as well as geologic structures that might indicate the presence of mineral deposits. This study which has been called the Brevard Schist project, although it involves rocks on both sides of the Brevard Belt, has been the major scientific research project of the Asheville office during the biennium.

To date, a reconnaissance survey has been made of Polk County and a manuscript geologic map of the county has been prepared. Field work for a detailed geologic map of North Carolina portion of the Inman quadrangle has been completed and a manuscript map is being compiled. In addition, approximately one-half of the field work on the Marion northeast 7½-minute quadrangle has been completed.

During the period covered by this report cooperative programs were continued with the U. S. Geological Survey and the U. S. Bureau of Mines. Matching funds programs with the U. S. Geological Survey include geological mapping and mineral resources studies in the Denton 15-minute quadrangle in Davidson County and topographic mapping in Stokes and Surry counties.

Field work in the Denton quadrangle has been completed and as soon as additional petrographic, geochemical, geophysical and paleontological studies have been completed the geologic map and report will be published. In addition to the cooperative program with the Division of Mineral Resources, the U. S. Geological Survey is conducting considerable independent research in North Carolina. A recent letter from the Chief Geologist, U. S. Geological Survey summarized 20 projects which relate directly to North Carolina.

Topographic mapping by the U. S. Geological Survey in financial cooperation with the Division of Mineral Resources was continued in Stokes and Surry counties and is progressing according to schedule.

Cooperation was continued with the U. S. Bureau of Mines in the collection of mineral production statistics.

MISCELLANEOUS ACTIVITIES

In addition to the major programs of work as outlined above, the Division of Mineral Resources distributes technical information on the geology and mineral resources of North Carolina to landowners, prospectors, mining companies and other interested people through correspondence and office visits. Hundreds of rock and mineral specimens were identified and evaluated for citizens of the State and more geologic maps, bulletins, economic papers and information circulars were sold during the biennium than during any like period in the history of the department.

Personnel of the Division participated in or conducted geological field trips for the U. S. Peace Corps, the Groundwater Branch of the U. S. Geological Survey, the Carolina Geological Society, the Atlantic Coastal Plain Geological Association, the U. S. Soil Service, and geologists involved in research at the University of North Carolina at Chapel Hill and Raleigh. Also, six scientific papers were presented at meetings of geological societies by staff members and a number of talks on the geology and mineral resources of North Carolina were given before school groups, rock and mineral clubs, and civic organizations.

GEODETIC SURVEY

The U. S. Coast and Geodetic Survey, the official Federal Government agency for the establishment of geodetic control surveys in the United States, announced in 1964 that it has determined the position of Bermuda in relation to the United States by means of the latest scientific methods using the U. S. satellites, Echo I and Echo II. The result locates Bermuda 450 feet further north and 165 feet further west when compared to the best previous knowledge based on astronomical observations and gravity measurements. This change will not of course affect shipping or air travel or local charts, but it does add to man's knowledge of the size and shape of the earth and the disposition of land masses.

The work of the Geodetic Survey Division of the Department of Conservation and Development is not as widespread in its scope nor as glamorous or spectacular as the above mentioned incident but it does have a definite, basic, scientific place in the engineering and economic life of North Carolina.

The fundamental duty of this division is stated in Chapter 102, General Statutes (1939)—"To make or cause to be made from time to time such surveys and computations as are necessary to further or complete the North Carolina Coordinate System. The agency shall endeavor to carry to completion as soon as practical the field monumentation and office computations of the Coordinate System." This authorization was enacted in 1939 but it was not until 1960 that, impelled by amendments of 1959, the present Division was established.

"Geodetic Survey" is a specific, technical term which should be defined. A geodetic survey is a survey (precise location of survey markers and bench marks) of such accuracy and precision and covering so large an area, such as a city, county or state, that the size and shape of the earth must be considered in its execution and computations. In order to save the local surveyor the task of computing his surveys with rather complex geodetic equations, a mathematical system, called the State Coordinate System, was developed whereon the usual, well known methods of east-west and north-south coordinates are used.

The purpose and use of the end product of this division, precisely located permanent survey markers, is well understood by engineers and surveyors, but is not so well known to the general public. A few brief comments would be in order.

Maps Must Show Details

All maps, to achieve their purpose, must show details clearly, accurately and in proper relation to all other details. This is true whatever the details are—topographic, geologic, roads and highways, land use, city details, transmission lines, dams, tax maps, city, county and state boundaries, water shed boundaries, water and sewerage systems, airfields, missile sites, parks, forest boundaries, nautical and aeronautical charts, tunnels, lakes and other recreational areas. As the steel frame of a building holds the details of doors, windows, brick, elevators and stairways in their desired true relation to each other, so the net of precisely determined geodetic survey markers holds all the above "details" in their true relation one to another.

The 1959 General Assembly enacted amendments to Chapter 47 of the General Statutes relating to Plats and Subdivisions and Land Surveys and Recording of Same. One item under "Plats and Subdivisions: Mapping Requirements" specified that: "Where the map is the result of a survey, one or more corners shall, by a system of azimuths or courses and distances, be accurately tied to a monument of some U. S. or State Agency Survey System, such as the U. S. Coast and Geodetic Survey Systems, where such monument is within 2,000 feet of said corner. Where the North Carolina Grid System coordinates of said monument have been published by the North Carolina Department of Conservation and Development, the co-ordinates of the referenced corner shall be computed and shown in x and y ordinates on the map."

This requirement maintains the high quality of the survey which is so desirable in this time of high and ever increasing land values and furnishes definite, unique, mathematical boundary points.

Expansion of Coordinate System

The basic activities of this division, establishing precisely located control survey markers and furnishing all interested parties with basic data for all geodetic markers, has continued throughout this biennium at an increasingly accelerated tempo. The biennium covered by this report has been one of efficient establishment of our end product—geodetic control survey markers.

The actual use of our markers by surveyors, engineers and, more noticeably, by communities, cities and counties has increased greatly. The commmunities have used our work to furnish control of their local surveys. The increased use has been a time and money saver for the communities and a source of satisfaction to the division.

The number of stations established this biennium and their distribution throughout the state can best be shown in tabular form.

Establishment and Distribution of Control Markers: 1962-1964

Area	County	No. of Stations
Winston-Salem	Forsyth	83
Roanoke Rapids	Halifax	15
Wilmington	New Hanover	75
Rocky Mount	Nash-Edgecombe	69
Hillsboro	Orange	118
Statesville	Iredell	50
Thomasville	Davidson	38
Concord	Cabarrus	58
Greensboro	Guilford	153
Burlington	Alamance	111
	Total	770

Checking field data, making necessary office computations, consulting with officials throughout the state, distributing survey data, coordinating with state and federal agencies and maintaining official records are all being carried on at a satisfactorily high level.

The division finishes this biennium and enters the next with the same organization as in the past and with the same goal of helping engineers and the public by consultations regarding control surveys and by cooperating with them in the establishment of additional precise and readily accessible geodetic control markers.

STATE PARKS

The purpose of the Division of State Parks, TO SERVE PEOPLE, must be achieved through adequate provision for recreational use of our natural resources. The Division is concerned with those natural resources which can be used without actually being consumed. To fulfill its obligation to the people, the State parks must then provide for this utilization of natural resources without their consumption, exploitation or despoilment. In 1962, the late President John F. Kennedy said: "Conservation can be defined as the wise use of our natural environment; it is, in the final analysis, the highest form of national thrift—the prevention of waste and despoilment while preserving, improving and renewing the quality and usefulness of all our resources." The State Parks can set no greater goal than the establishment, development and operation of a system of parks which will guarantee the preservation, improvement and renewal of quality of those natural resources for which it is responsible. Future generations must not be denied the use and enjoyment of their rightful outdoor heritage.

In living up to its purpose and in the effort to attain its ultimate goal, the Division of State Parks must SERVE THE PEOPLE OF NORTH CAROLINA AND THEIR VISITORS BY:

1. The preservation and protection of natural areas of unique or exceptional scenic value not only for the inspiration and benefit of the present generation, but, also, for generations to come. This, THE BASIC SERVICE, must ever be predominant.
2. The establishment, development and operation of state parks which provide recreational use of natural resources and outdoor recreation in natural surroundings.
3. The portrayal and interpretation of plant and animal life, geology, and all other natural features and processes included in the various State parks.
4. The preservation, protection and portrayal of scientific sites of statewide importance.

PROGRESS REPORT

In order to better evaluate progress made by the Division of State Parks, its work is divided into nine major phases.

1. Operation of Public Use
2. Maintenance
3. Interpretive and Public Use Programs
4. Protection and Law Enforcement
5. Business Management
6. Information and Education
7. Personnel Administration
8. Planning, Development and Construction
10. Cooperation With and Services to Other Agencies

A report of progress in each of the nine phases of work is summarized as follows:

I. OPERATION FOR PUBLIC USE

"Unprecedented Demand"—Each year these same words can be used to describe the surge of public interest in outdoor recreation. During the biennium ending June 30, 1964, a total of 3,608,559 visitations were recorded in the North Carolina State Parks. This record high represents an increase of 8½% over the preceding biennium.

Camping, one of the better park uses, continued to lead activity growth with an increase of more than 13%. Some other park uses showed a smaller percentage increase because of adverse weather conditions during the summer months.

Predominant use of the State parks continues to be that made by family groups. We feel that this is a factor of significance in judging the quality of park use. To us, this is an indication that the family is brought into our parks without fear of harassment or embarrassment in any form. It further indicates that people of all ages can find enjoyment in outdoor recreation in a natural setting. This quality of

mass appeal takes on added significance when we note that more and more forms of recreation and entertainment must be directed toward particular groups. And certainly the quality of use improves when parents learn to appreciate our natural resources. The lesson is brought clearly home if they are made to realize their responsibility in the preservation of our natural resources for the use and benefit of their own descendents.

II. MAINTENANCE

Repair and replacement of old structures continued to require a major portion of time and funds but the backlog of such projects was materially reduced during the biennium. Wells which were of low yield or otherwise unsatisfactory were replaced. Structurally unsound buildings were renovated and structures of inadequate size were expanded. Several older buildings were completely rewired to meet the electrical code while required changes were made in others.

Maintenance will always be a most important phase of park work. The completion of major repair work to our older structures, however, will free personnel and funds for the work of finer detail necessary in maintaining the high standards we desire. Instead of large projects in the correction of erosion or major repairs to structures, personnel will be able to practice more preventive maintenance. Good preventative maintenance will prevent the recurrence of many major problems.

III. INTERPRETIVE AND PUBLIC USE PROGRAMS

The great conservationist, Aldo Leopold, once said: "The principal function of the administration of recreational areas is to improve the quality of public use." The interpretive and public use program of the Division of State Parks finds basis in this thought and in the firm belief that most people need to be trained in the enjoyment of nature and that all can increase their enjoyment by taking thought.

Practically all of our young park visitors and many adults are anxious that their minds be trained in the enjoyment of nature. Through proper interpretation, the average park visitor finds cause to take thought. Of their own volition, these park visitors will increase their enjoyment of nature as we benefit from the improved quality of their park usage.

A great satisfaction is ours as we see the quality of park use improve. A greater satisfaction still is in the knowledge that future generations will continue to reap the harvest from seeds planted in the minds of present day park visitors. Public use of the highest quality is the only assurance that our natural areas will be preserved for the benefit of generations to come.

During the biennium, the entire interpretive program was evaluated with the assistance of the National Park Service. Many ideas derived from this evaluation will be incorporated in the interpretive program in future years.

The nature and hiking trails at William B. Umstead State Park were completely reworked and new trail maps and bridle maps were published.

Two new self-guiding trails, one at Hanging Rock State Park and one at Mount Mitchell State Park, were put into use with more trails being opened and evaluated for expansion at Reedy Creek, Mount Mitchell and Cliffs of the Neuse State Parks.

An overall interpretive prospectus was begun and will be included in the overall planning of Weymouth Woods—Sandhills Nature Preserve.

Contact with the public through new interpretive devices has resulted in the greatest percentage increase in this phase of work over any previous biennium.

As in the past, swimming and life saving courses were offered at several state parks.

IV. PROTECTION AND LAW ENFORCEMENT

One must think back to the BASIC SERVICE of the state park system to thoroughly appreciate the importance of this phase of work. People are served by PRESERVATION AND PROTECTION of our natural areas. The parks must be protected from fire, vandalism and trespass. Native wildlife must be protected from hunting, trapping and molestation. At a meeting of the National Conference on State Parks, James Speed, a magazine editor, said that : "Everyone agrees with the remark that 'it's wonderful how tame animal life becomes when it is properly protected.' In reality sanctuaries do not tame the animals; but they do tame men and women." This philosophy is in accord with the protection and law enforcement

program in the North Carolina State Parks. The most effective program is one primarily of education. It is essential of course, that our state park regulations have the teeth necessary to dissuade vandals and would-be trespassers.

Five forest fires occurred in the system during the biennium. On March 18, 1963, a fire at Mount Jefferson State Park burned over approximately five acres. This was the second damaging fire caused by fire escaping from the West Jefferson town dump. This fire precipitated cction by local people who cooperated with park and forestry officials in the removal of the town dump.

Other fires were: April 25, 1963, 1/10th acre at William B. Umstead State Park; April 28, 1963, 1/10th acre at Hanging Rock State Park; August 20, 1963, 1/4th acre at Hanging Rock State Park; June 29, 1964, 1/5th acre at Fort Macon State Park. The latter fire was caused by fire escaping from a garbage truck serving the Fort Macon Coast Guard Station. Others were caused by careless park users.

That the total acreage burned over by these fires was kept so small, speaks well for the vigilance of park personnel and the cooperative assistance of the Division of Forestry.

There have been several outbreaks of Southern Pine Beetle at Hanging Rock and Morrow Mountain State Parks. All were successfully controlled, thanks again to the Division of Forestry.

The spray program for the control of the Balsam Woolly Aphid at Mount Mitchell State Park was continued in an effort to protect a portion of the boreal forest. The area protected consisted of a scenic easement along the road and around the public use areas. Other areas are impossible to control and are due for probably devastation by this insect.

Plans for a sewage dilution lake at William B. Umstead State Park were successfully defeated as were several other plans proposed by the Soil Conservation Service for flood control along Crabtree Creek which would have proved detrimental to certain vegetative types at William B. Umstead and Reedy Creek State Parks. Alternate plans for flood control which will not harm the park have since been approved.

STATE LAKES

Of the seven State-owned lakes, three have little or no State-owned shoreline. The job of administering these lakes is one primarily of law enforcement. Jones, Salters and Singletary Lakes in Bladen County are within State park boundaries and are administered under State park rules, regulations and policies.

While State park holdings have increased on Lake Phelps in Washington and Tyrrell Counties, its administration remains chiefly under State Lakes Regulations primarily because of its enormous size, 16,600 acres. Development of private shoreline holdings on Lake Phelps has begun and the problems of administration will grow with this development.

The State owns no land around Black Lake in Bladen County nor around Lake Waccamaw in Columbus County. The administration of Black Lake offers no problems because of its inaccessibility. Lake Waccamaw however, receives heavy public use, and its administration is sorely hampered by the lack of shoreline holdings. Patrol boats must be launched and serviced at privately owned ramps or piers. The lack of storage space for gasoline and other supplies necessary for patrol by boat presents the greatest handicap of all. The problems of administration would be greatly relieved by the acquisition of shoreline property as a base of operations.

At White Lake in Bladen County the greatest problem of administration is in the volume of public use. The difficulties of administration of this heavily used lake have been greatly relieved by the acquisition of shoreline property for storage of supplies and a base of operations.

V. BUSINESS MANAGEMENT

While a great variety of details go to make up the job of business management, the purpose can be simply empressed as getting the most for each dollar spent. The success of the State park program is dependent upon efficiency and the system relies on business management to effect and maintain the necessary high standard.

During the biennium, several changes were put into effect concerning records and reports prepared by the field offices. These changes showed that information concerned could be more efficiently handled by field offices with spot check by the

Central office. The elimination of some forms and reports supplying information no longer pertinent also proved effective.

Earned receipts from the operation of State park facilities during the biennium were $279,856, a decrease of 3.2% from the previous biennium. These earned receipts amounted to 27% of the total operating, maintenance and administrative budget.

VI. INFORMATION AND EDUCATION

The information and education phase of State park work is becoming more and more important. Before the system can fulfill its obligation to the people, the people must be made fully aware of what the parks have to offer. As the population becomes more urban, more people lack the knowledge of nature which is gained by association.

During the biennium, the parks as a whole were given good coverage by newspapers, magazines, radio and television. Through a number of talks, various civic groups were given information on the State park program. In many ways, dissemination of information on the parks was better than during any other previous biennium.

More schools became participants in the school camp program conducted in the State parks. These camps, conducted by school leaders with cooperation of the Wildlife Resources Commission and State park natural science specialists, have proven to be very valuable in giving science beginner students a first-hand introduction to the various fields of natural science.

VII. PERSONNEL ADMINISTRATION

Much has been said earlier about the quality of park use and the function of the State park system in improving the quality of use. Certainly no other factor can have a greater effect on the quality of use by the general public than can the quality of service rendered the general public. This quality of service is dependent almost in its entirety upon the personnel of the organization.

State Park	Position	Date Vacancy Occurred	Replaced By or New Position Filled By	Date of Replacement/or Job Filled
Duke Power	Park Supt. I	New Position	Filled by promotion of Park Ranger II from Fort Macon	3/1/63
	Park Ranger II	New Position	New Employee	7/15/63
Fort Macon	[1] Park Ranger II	3/1/63	Filled by promotion of Park Ranger I from Fort Macon	9/1/63
	[1] Park Ranger I	9/16/63	Employee returned from military duty	9/16/63
Hammocks Beach	[2] Park Ranger II	10/31/63	New Employee	11/8/63
	Park Ranger I	New Position	New Employee	1/12/64
Mount Mitchell	[2] Park Supt. II	9/1/63	Promotion of Park Ranger II at Mount Mitchell	2/1/64
	[1] Park Ranger II	2/1/64	New Employee	3/16/64
Reedy Creek	[2] Park Ranger I	8/15/62	New Employee	11/1/64
Weymouth Woods	Park Supt. I	New Position		
Wm. B. Umstead	[2] Park Ranger I	11/22/63	New Employee	1/25/64
Raleigh Office	[2] Stenographer II	1/29/63	New Employee	2/1/64
	[2] Stenographer II	8/31/63	New Employee Transfer Employee from Commerce and Industry	2/11/63
	[3] Stenographer II	3/16/64	Temporary Employee	10/1/63
	[2] Landscape Archt. I	6/6/64	Position not yet filled	4/16/64

[1] Vacancy caused by promotion of employee
[2] Vacancy caused by resignation.
[3] Maternity leave.

Making literally thousands of personal contacts, the State park employees must have a dedication which stems from pride in the organization, in themselves and in the particular work they are doing. For many park visitors this contact with State park employees is their only contact with official representatives of the State. One such contact may be the basis of opinion of State government as a whole.

There was the usual turnover of personnel as shown by tabulation. As far as possible, vacancies in the system were filled by promotion.

As shown by tabulation, four new positions were created; two Park Superintendents I and one each Park Rangers I and II. Three of these positions were created for the operation and maintenance of newly acquired areas, Duke Power State Park and Weymouth Woods—Sandhills Nature Preserve.

In addition to the personnel changes shown, one Park Ranger position was reclassified from I to II and most field and Raleigh Office positions were upgraded one or two steps by action of the State Personnel Council.

In order to keep abreast of the times and increase efficiency and know-how of employees, annual Park Superintendents' Meetings were held as well as training sessions in specific phases of park work and cooperative sessions with Division of Forestry and National Park Service personnel.

To comply with the letter and spirit of the new State Minimum Wage Law, adjustments were made in the salaries of summer personnel to assure a minimum wage of 85¢ per hour.

VIII. PLANNING DEVELOPMENT AND CONSTRUCTION

Cliffs of the Neuse State Park: Plans and specifications were completed and contract was let for electrical power distribution to park museums. Plans completed and work begun on museum exhibits. Overlook constructed to provide vantage point for view of cliffs and river and to serve as erosion control.

Duke Power State Park: The Governor and Council of State allocated $28,500 from Contingency and Emergency Funds for construction of a constant level dam before the rising water of Lake Norman made construction impractical. Plans were completed for utilities—electrical, sanitary and water. A sewage treatment plant was installed, well drilled, road and parking lot rough graded and a pre-stressed concrete bridge placed. Architectural firm retained for plans and specifications of bathhouse, refreshment stand and sun shelter.

Fort Macon State Park: Plans completed, contract let and work practically completed on Maintenance and Service Area buildings. These structures include park office, residence and a garage and storage building.

Hammocks Beach State Park: Bathhouse, public toilets and maintenance buildings completed. Exhaustive study ruled out the possibility of deep well water supply. The water system was redesigned for shallow well supply and complete system was installed.

Hanging Rock State Park: Plans and specifications completed for Maintenance and Service Area buildings and advertisement made for bids. Plans completed, contract let and installation virtually complete on underground electrical distribution system for bathhouse, vacation cabins and family camping area. Plans completed for increased water supply. Additional reservoir installed and mains replaced to full extent of appropriated funds. Plans and specifications for washhouse in new family camping area virtually complete.

Jones Lake State Park: Old bathhouse demolished, site cleaned and readied for new construction. Plans, design and specifications were completed for new bathhouse and advertisement made for bids. Plans completed and new nitrification field laid for septic tank serving bathhouse.

Morrow Mountain State Park: Survey completed and plans drawn for road to Kron house restoration. Plans and specifications almost complete for new family camping area washhouse.

Mount Jefferson State Park: Access road to park completed.

Mount Mitchell State Park: Plans completed and work begun on roadside improvements and completion of summit parking area.

Reedy Creek State Park: Survey completed and clearing begun for park entrance road, parking lot and group camp road. Plans and specifications completed for Maintenance and Service Area buildings.

William B. Umstead State Park: Plans completed for Maintenance and Service Area buildings. New wells drilled for family camping area and Maintenance and Service Area.

PLANNING

One of the most important achievements in planning was the formulation of a set of PRINCIPLES GOVERNING THE ESTABLISHMENT, EXTENSION AND DEVELOPMENT OF STATE PARK NATURAL AREAS OF THE STATE OF NORTH CAROLINA. This set of principles was presented to the State Parks Committee and approved by the Board of Conservation and Development on April 23, 1963.

Dune fixation and erosion control was planned for Fort Macon and Hammocks Beach State Parks and initial work was begun.

Vertical controls were established for several parks and drainage investigations and recommendations made for two of the State Lakes.

Several areas were investigated for possible inclusion in the State Parks System and field data was collected for future development of Weymouth Woods—Sandhills Nature Preserve.

LAND ACQUISITION

During the biennium more land was added to the State Parks System than during the preceding eighteen years. During this two-year period, the following areas were added:

Duke Power State Park 1328 acres by deed of August 15, 1962. This area on Lake Norman was given to the State by Duke Power Company.

Weymouth Woods—Sandhills Nature Preserve 403 acres by deed of February 18, 1963. This area near Southern Pines was given to the State by Mrs. James Boyd. This area is to be preserved in its natural state with no construction other than that necessary for proper interpretation of the area.

Pettigrew State Park 500 acres on Lake Phelps given by deed of April 16, 1963. This area given to the State by Lake Phelps Farms, Incorporated, will provide a recreational area on Lake Phelps. This will augment the present holdings which are primarily of historical interest.

Other land transactions during the biennium were:

Cliffs of the Neuse State Park 12,845 acres from A. T. Garris by deed of January 2, 1964.

Fort Macon State Park Exchange of land with the United States of America: 3.42 acres from the United States of America to North Carolina; 7.83 acres from North Carolina to the United States of America.

These land transactions were to round out boundaries or otherwise benefit the State Park System.

Other tracts have been surveyed at Cliffs of the Neuse State Park and negotiations are underway for acquisition. Negotiations are underway for a trade of land with the National Forest Service to provide Mount Mitchell State Park with an area suitable for development of a family camping area. The area under consideration is also considered suitable for a water supply to replace the present reservoir system which has become inadequate.

IX. COOPERATION WITH AND SERVICES TO OTHER AGENCIES

During the biennium, the Division has cooperated in various ways with many agencies both public and private. While cooperative services were rendered other agencies, the Division was the recipient of a bountiful dividend in return services. In addition to the usual cooperative service between other state agencies and various Federal agencies, interpretive cooperation was given the State of Virginia. Administrative data necessary for the establishment of a National Park System was supplied Colombia, South America.

The Division is especially grateful to the State Highway Commission for their

valuable assistance in construction work and to the Division of Forestry for their cooperative assistance in pest and fire control.

THE FUTURE

During the past biennium, the State of North Carolina was again fortunate in securing new areas for the State Parks System through the generosity of private firms and individuals. The State Parks System was doubly fortunate in that the areas added were most worthy of inclusion.

As mentioned earlier, several areas investigated for possible inclusion in the System failed to meet minimum requirements because of size, location or other governing factors. The proportion of acceptable areas will become less and the number of areas offered will decrease.

The greatest need now facing the System is that of appropriated funds for the purchase of desirable areas in those sections of the State with the heaviest demand for outdoor recreational facilities. The purchasing power of funds appropriated for such purpose can be doubled through Federal monies made available by the Land and Water Conservation Act. North Carolina should not miss this opportunity for assistance in the enlargement and development of its State Parks System.

Another great need is for the addition of technical personnel for planning and development. The nature of the State Parks Program dictates that planning be of long range. Developments should be made according to Master Plans for each park. A very serious problem exists in this field today. Technical personnel are vital to the orderly development of our present areas while additional areas are vital to the fulfillment of the State Parks Program.

TABLE 1

STATE PARKS PUBLIC USE RECORD

STATE PARK	TOTAL ATTENDANCE		PICNICKERS		CAMPER FAMILY		DAYS ORGANIZED		SWIMMERS		HIKERS		CABINS		FISHING	
	FY 1963	FY 1964	FY 1963	FY 1964	FY 1963	FY 1964	FY 1963	FY 1964	FY 1963	FY 1964	FY 1963	FY 1964	FY 1963	FY 1964	FY 1963	FY 1964
Cliffs of the Neuse	144,038	151,070	42,343	50,493	5,434	6,682			22,400	28,798	10,076	10,635			193	148
Fort Macon	518,613	559,949	32,990	26,682					91,785	108,015	3,578	6,250			30,781	35,477
Hammocks Beach	11,027	11,680	2,427	3,264					4,301	5,860	2,903	1,667			2,569	3,014
Hanging Rock	165,136	179,968	45,575	56,189	16,791	17,370			29,954	39,188	24,159	22,880	3,390	3,168	36	0
Jones Lake	58,127	60,795	43,730	45,923	223	931			11,402	14,896					48	105
Morrow Mountain	242,268	284,819	105,945	128,927	9,906	17,224			19,084	21,153	38,754	44,717	2,049	2,420	5,719	5,939
Mount Jefferson	10,365	31,017	2,173	12,804												
Mount Mitchell	296,116	367,559	51,144	71,012	4,290	4,265					33,022	39,162				
Pettigrew	23,871	25,327	3,578	6,790	767	1,143						244			1,596	4,626
Reedy Creek	40,172	62,817	32,241	51,274	132	317	2,596	3,989			8,713	22,947			869	1,579
Singletary Lake	7,053	6,520			51	35	2,890	2,450			41				27	89
Wm. B. Umstead	177,891	172,341	49,571	49,002	7,115	9,221	20,672	18,522			16,683	15,257			1,081	906
TOTALS	1,694,677	1,913,862	411,717	502,360	44,709	57,188	26,158	24,961	178,926	217,910	137,929	163,759	5,439	5,588	42,919	51,883

TRAVEL INFORMATION

In this biennium, North Carolina's income from the travel-serving industry reached an all-time high for a single year—$968 million in 1963. Taxes collected from tourists amounted to 3.4% of the total revenue of North Carolina in 1963. Concurrent with the rapid expansion of the travel-serving industry and the increased expenditures in North Carolina by travelers, was the expansion of advertising and special projects by the Travel Information Division and the processing of 366,443 travel inquiries.

As North Carolina's fast growing travel-serving industry approached the billion-dollar-a-year mark and became the State's third largest dollar producer, the Advertising Committee of the Board of Conservation and Development changed the designation of the Advertising Division to State Travel Information Division in April of 1963 in recognition of and closer identification with the vast industry which this Division is engaged in promoting and developing. This was an administrative change only, and did not affect Board organization.

Production of literature was stepped up during the biennium to meet the increasing numbers of inquiries generated through advertising, news and feature releases, motion pictures, travel shows, and special projects ranging from a tour of North Carolina for European travel executives to North Carolina Day at the New York World's Fair and close cooperation with the formation and programs of regional organizations like Coastal Historyland.

The Division distributed 3,582,969 pieces of literature in this biennium, and printed and distributed 614,500 QSL cards to radio ham and Citizen Band operators. This proved one of the most popular promotions ever undertaken by the Division.

On December 5, 1963, Charles J. Parker, director of the Division since 1940 (except for an interim of military duty during World War II) suffered a fatal heart attack. Ted Davis, who had joined the Division as Travel Development Administrator in October 1963, became acting director of the Division on January 1, 1964. Since August 1, 1964, when Mr. Davis returned to the Division of Commerce and Industry, Miss Evelyn Covington and Mrs. Miriam Rabb, administrative assistant and travel editor, respectively, have been responsible for the administration of the Division pending appointment of a permanent Director.

On July 1, 1963, the Division renewed with the Bennett Agency the State Advertising Contract which had been awarded this Agency on July 1, 1961. This biennium saw the most extensive use of television as an advertising medium in the history of the program. The policy of charging the Agency with greater responsibilities for promotion in addition to the preparation and placement of paid advertising was inaugurated when the contract was originally awarded to Bennett, and this policy continues. Administration of the Honorary Tar Heels organization, originally performed for the Governor by the State News Bureau and later by the Advertising Division, was placed in the hands of Roy Wilder in 1961 when he was Assistant Director of the Department of Conservation and Development. Mr. Wilder, now Director of the North Carolina Seashore Commission, continues responsible for the Honorary Tar Heels organization with the cooperation of the Travel Information Division.

The Division's appropriation for the biennium was $1,163,432, of which $819,800 is allocated to paid advertising and promotional projects, and $343,632 to printing, postage and operations. Schedules and content of paid advertising are reviewed in advance by the Advertising Committee of the Board of Conservation and Development and Division personnel.

The Division's regular mailings of releases and photographs, combined with the fact that editors, writers, broadcasters and photographers throughout the U.S.A. and in many foreign countries depend on the Division for up-to-date information, photographic illustrations, and editorial consultation, has had gratifying results of free publicity for the State. During the biennium, 230 news and feature releases, 12,186 black & white photographs, and 624 color transparencies were distributed by the Division.

The Division prepares copy and produces photographs for its own publications—the booklets "Variety Vacationland," "Historyland," "Facts," "Tar Heel State," "Fishing and Hunting" and others—and also makes its photographs available to

other Divisions of Conservation and Development, and to other State agencies. Publishers of guide books and maps also look to the Division as a source of information and photographs.

Among the many magazines and newspapers in which there were North Carolina features during the biennium were **Better Homes and Gardens,** the **New York Times, Chicago Tribune, Sports Afield, Washington Post, Washington Daily News, New York World Telegram** and **Sun, Chicago Daily News, Atlanta Journal and Constitution,** the **Highway User, Medical Times, Woman's Day, Holiday, Salt Water Sportsman, London Times, Cincinnati Enquirer,** and a host of trade bulletins and house organs including major automotive publications.

With continuing promotion of all North Carolina as a four-season Variety Vacationland, there was great emphasis in paid advertising, releases, publications and photographic coverage to acquaint the traveling public with the many new attractions throughout the State. Among these were the Herbert C. Bonner Bridge to Hatteras Island; the greater accessibility of the coast via the new Chesapeake Bay Bridge Tunnel; new links of the Blue Ridge Parkway and Interstate Highway system; expansion of summer facilities in the Sandhills winter resorts, increased accommodations and recreational areas; the development of ski areas in the mountain vacationlands; and the expansion of historical attractions as year around travel objectives. The Division worked closely with the Carolina Charter Tercentenary Commission and the Confederate Centennial Commission in the promotion of historical attractions and special events.

SPECIAL PROJECTS

During the biennium, the Travel Information Division assisted with the organization of the Coastal Historyland Association, a regional organization which seems destined to be as beneficial to Eastern North Carolina as the Blue Ridge Parkway is to the mountain vacationlands.

In 1963, twenty-three New York taxicab drivers were invited to North Carolina for a coast-to-mountains tour by bus and air which acquainted them with the State's travel attractions and enabled them to recommend North Carolina. This project, planned and executed by the Bennett Agency, with the cooperation of the Governor's office and the Travel Information Division, was acclaimed as one of the most unusual and successful publicity efforts ever undertaken by any state. Early in 1964, the cab drivers who had visited North Carolina helped staff the State exhibit at the New York Travel Show.

In 1963, the Division participated in travel shows in Philadelphia, Cincinnati, and Washington, D. C., and also had a travel exhibit at the North Carolina International Trade Fair in Charlotte. In the spring of 1964, the Division participated in travel shows in New York City, Cleveland, Cincinnati, and Baltimore, and presented a travel exhibit at the Southeastern Flower & Garden Show in Charlotte. The 20-foot "Variety Vacationland" showcase featured ever since the Division began travel show participation in 1961 received "best in show" award at the Baltimore Travel Show. Now a 40-foot exhibit donated to the Division by the North Carolina Dairy Council is being converted into a new Variety Vacationland showcase for use in Cleveland, Cincinnati, Chicago and Atlanta travel shows in the spring of 1965.

As in the past, Division personnel will supervise and staff the State travel exhibit wherever it is used.

The Division worked with the Employment Security Commission in preparation of copy and photographs for the ESC Quarterly for the spring of 1964, which featured the travel-serving industry of North Carolina.

Tours for travel executives and writers play an important part in the promotion of Variety Vacationland. During the biennium, the Division helped plan and staff thhe Governor's tour for European Travel Executives, the Outdoor Writers of Ohio tour of Western North Carolina, and a Coastal Historyland tour for AAA travel counselors sponsored by the Carolina Motor Club, Travel Council of N. C. and Coastal Historyland Association. The Division also cooperated with the Carolina Motor Club and the East Tennessee Automobile Association on a mountain tour for AAA travel counselors.

The Division was responsible for all arrangements for North Carolina Day at the New York World's Fair in June of 1964. Hargrove Bowles, Jr., chairman of

the Board of Conservation and Development, represented Governor Sanford. More than 100 Tar Heel singers, dancers and instrumentalists were featured at the Fair on North Carolina Day.

The Division continued to work closely with the "Visit U.S.A." program of the U. S. Travel Service by supplying information and literature to USTS offices at home and abroad, and assisting with arrangements and guidance for increasing numbers of foreign tour groups, writers, and photographers visiting North Carolina.

The Division cooperated with North Carolina Day at the New York Sales Executives Club in February of 1963.

In April of 1963, the Division began distribution of a new travel movie, "State of Enchantment," produced by the Bennett Agency. The chairman of the Advertising Committee of the Board of Conservation and Development, Mr. Charles B. Wade, Jr., lent fine personal support in persuading television stations throughout the U.S.A. to use this film at no cost to the State.

During the biennium, there were 423 television shows and 11,666 audience showings of the four movies available under Division sponsorship: "State of Enchantment," "Kitty Hawk to Calabash," "North Carolina" (contributed by Southern Bell Telephone and Telegraph Company) and "Variety Vacationland." In 1962, as authorized by the Board of Conservation and Development, the Division turned over 9 prints of films produced by or for the Division since 1939 but no longer in circulation, to the Department of Archives and History for preservation for their historic value. As a part of the promotional support for Coastal Historyland this year, we are working with the State Film Board on production of a new film, "Land of Beginnings," which will be released in December 1964. The Division has stepped up the production of 35mm slides to meet a sharp upsurge in demand for slide shows.

The Division cooperated with the American Petroleum Institute in production and distribution of the "Dixieland Trail" folder designed to stimulate vacation travel in North Carolina and four other southern states. The Divsion is also cooperating with the National Association of Travel Organizations in the "See the U.S.A." program.

WORK WITH TRAVEL COUNCIL

The Division continued to work closely with the Travel Council of North Carolina, Inc., in projects to improve the quality of travel facilities and service in the State and stimulate promotion of travel. The annual Economic Analysis of the Travel Industry in North Carolina, prepared by Dr. Lewis Copeland, is sponsored by the Travel Council with the cooperation of the Travel Information Division.

"Ski Weather" reports have now become a regular service of the U. S. Dept. of Commerce Weather Station at Raleigh, which inaugurated these reports with the encouragement of the Travel Information Division.

The Division cooperated with the Division of Commerce and Industry in publication of the "Conway Reference Study" and the Guide to North Carolina Airports.

More and more industries are requesting literature for use in recruiting personnel or orienting personnel moving to North Carolina. At the same time, business enterprises are contributing to the over-all effort of presenting the favorable image of North Carolina in their national advertising. North Carolina manufacturers and business firms are also lending increased support to travel promotion by featuring travel articles and photographs in their own publications, and, in some instances, have produced special brochures to acquaint the public with travel attractions in their areas.

The cooperation of the North Carolina Press, Radio and Television with the travel promotion program has been outstanding. By policy set when the State's travel promotional program was begun in 1937, no advertising funds are expended within the State of North Carolina.

MEDIA LIST

North Carolina's travel advertising was published or broadcast in the following:

TELEVISION

Atlanta, Ga.—WAGA-TV, WAII-TV, WSB-TV
Augusta, Ga.—WJBF-TV, WRDW-TV
Baltimore, Md.—KJZ-TV, WBAL-TV, WMAR-TV
Birmingham, Ala.—WAPI-TV, WBRC-TV
Charleston, S. C.—WCSC-TV, WCSV-TV, WUSN-TV
Charleston, W. Va.—WCHS-TV
Chattanooga, Tenn.—WDEF-TV, WRCB-TV, WRGP-TV, WTVC-T
Cincinnati, Ohio—WCPO-TV, WKRO-TV, WLW-TV
Columbia, S. C.—WCCA-TV, WIS-TV
Columbus, Ohio—WLW-C, WTVN-TV
Dayton, Ohio—WHIO-TV, WLW-D
Ft. Wayne, Ind.—WANE-TV
Huntington, W. Va.—WHTN-TV
Indianapolis, Ind.—WISH-TV, WLW-I
Jacksonville, Fla.—WFGA-TV, WJXT-TV
Knoxville, Tenn.—WATE-TV
Lexington, Ky.—WKYT-TV, WLEX-TV
Louisville, Ky.—WAVE-TV, WHAS-TV
Miami, Fla.—WLBW-TV, WTVJ-TV
Mt. Pleasant, S. C.—WCIV-TV
Nashville, Tenn.—WLAC-TV, WSM-TV
New York, N. Y.—WABC-TV, WCBS-TV, WNCB-TV, WNEW-TV
Norfolk, Va.—WAVY-TV, WTAR-TV
Orlando, Fla.—WDBO-TV, WESH-TV, WFTV-TV
Philadelphia, Pa.—WCAU-TV, WFIL-TV, WRCV-TV
Pittsburgh, Pa.—KDKA-TV, WIIC-TV, WTAE-TV
Richmond, Va.—WRVA-TV, WXEX-TV
Roanoke, Va.—WDBJ-TV, WSLS-TV
Savannah, Ga.—WSAV-TV, WTOC-TV
So. Bend, Ind.—WSBT-TV
Tallahassee, Fla.—WCTC-TV
Tampa, Fla.—WFLA-TV, WTVT-TV
Washington, D. C.—WMAL-TV, WRC-TV, WTOP-TV

MAGAZINES

American Motorist
American Rifleman
Better Homes & Gardens
Christian Herald
Cincinnati Motour
Cosmopolitan
Detroit Motor News
Family Circle
Field and Stream
Forest Farmer
Glamour
Golf World
Grade Teacher
Grit
Holiday
House & Gardens
Instructor
Keystone Motorist
Look
National Geographic
New York Motorist
Outdoor Life
Pennsylvania Motorist
Popular Photography
Presbyterian Life
Redbook
Salt Water Sportsman
Scholastic Teacher
Sports Afield
Taxi Weekly
This Week
Together
Travel USA Handbook
TV Guide
Woman's Day

NEWSPAPERS

All Florida
Atlanta Journal-Constitution
Baltimore American
Baltimore News-Post
Baltimore Sun
Charleston News-Courier
Chattanooga Times
Chicago Daily News
Chicago Sun-Times
Chicago Tribune
Christian Science Monitor
Cincinnati Enquirer
Cincinnati Post/Times-Star
Cleveland Plain Dealer
Cleveland Press & News
Columbus Dispatch
Columbia State Record
Dayton News
Detroit Free Press
Detroit News
Hackensack, N. J., Record
Hagerstown Herald Mail
Indianapolis Star
Jacksonville Times-Union
Knoxville News-Sentinel
Louisville Courier-Journal
Miami Herald
Miami News
National Observer
Newark, N. J. News
Newsday, L. I.
N. Y. Daily News
N. Y. Herald Tribune
N. Y. Journal-American
N. Y. Mirror
N. Y. Times
N. Y. World-Telegram
Norfolk, Va. Pilot
Orlando Sentinel
Philadelphia Bulletin
Philadelphia Inquirer
Pittsburgh Press/Post-Gazette
Richmond, Va. Times
Roanoke Times
South Bend Tribune
St. Petersburg Times
Tampa Tribune
Washington News
Washington Post
Washington Star
Wilmington Del. News-Journal

INDUSTRIAL ADVERTISING

MAGAZINES

Blue Book of Southern Progress
Business Management
Business Week
Dunn's Review & Modern Industry
Forbes
Harvard Business Review

NEWSPAPERS

N. Y. Journal of Commerce
Wall Street Journal
Industrial Development
Industrial Property Guide
Journal of Commerce
Time
U. S. News & World Report

The statistical summary follows:

BIENNIUM JULY 1, 1962-JUNE 30, 1964

Travel and Industrial advertising was published or broadcast as follows:

Media	No. Advertisements	Total Circulation	Cost for Space & Time
Magazines	113 in 46 publications	77,348,515	$223,435.00
Newspapers	203 in 54 publications	64,150,121	175,849.71
Total Print	316 in 100 publications	141,498,636	$399,284.71
Television	2,529 announcements over 71 stations		$229,026.26
Outdoor Advertising (Billboards)			$ 4,000.00
Total Production Cost			$ 35,495.38
GRAND TOTAL			$667,806.35

INQUIRIES SERVICED

Received	Keyed	Non-Keyed
366,443	131,548	234,895

PUBLICATIONS

Produced		Distributed	Inventory
No. Subjects	No. Copies	No. Copies	(Approximate)
202	3,710,845	3,582,969	740,545 (average)

NEWS, FEATURE & PICTURE OPERATIONS

News & Feature Releases	TV-Radio Shows
230	118

Still Photography Prints Distributed	Motion Pictures	
	Audience Showings	TV
12,810	11,666	423

SPECIAL PROJECTS

No. Projects	Literature Used	Homeseeker Inquiries
694	295,757	2,321

THE BUDGETS

CONDENSED FINANCIAL STATEMENTS

For the Biennium Beginning July 1, 1962 and Ending June 30, 1964

Victor W. Barfield, Budget Officer

MAINTENANCE FUNDS
DEPARTMENT OF CONSERVATION AND DEVELOPMENT
STATEMENT OF RECEIPTS AND DISBURSEMENTS

	Fiscal Year 1962-63	Fiscal Year 1963-64
Disbursements	$4,932,404	$5,254,121
Less: Receipts	1,641,363	1,784,396
General Fund Appropriation	$3,291,041	$3,469,725
SUMMARY BY PURPOSE		
I. ADMINISTRATION:		
Disbursements	$ 236,108	$ 165,078
Less: Receipts	86	1
Appropriation	$ 236,022	$ 165,077
II. COMMERCE & INDUSTRY:		
Disbursements	$ 392,089	$ 430,708
Less: Receipts	14,264	1,631
Appropriation	$ 377,825	$ 429,077
III. TRAVEL INFORMATION:		
Disbursements—Appropriations	$ 547,728	$ 607,614
IV. GEODETIC SURVEY:		
Disbursements—Appropriation	$ 58,233	$ 78,294
V. MINERAL RESOURCES:		
Disbursements	$ 67,553	$ 75,337
Less: Receipts	1,182	1,452
Appropriation	$ 66,371	$ 73,885
VI. FORESTRY:		
Fire Control:		
Disbursements	$2,157,394	$2,365,508
Less: Receipts	869,343	944,716
Appropriation	$1,288,051	$1,420,792
VII. GENERAL FORESTRY:		
Disbursements	$ 169,863	$ 123,849
Less: Receipts	36,751	41,114
Appropriation	$ 133,112	$ 82,735
VIII. FOREST MANAGEMENT:		
Disbursements	$ 228,756	$ 235,269
Less: Receipts	115,550	109,019
Appropriation	$ 113,206	$ 126,250
IX. NURSERIES:		
Disbursements	$ 229,958	$ 290,562
Less: Receipts	235,412	292,717
Appropriation—Cr.	$ (5,454)	$ (2,155)
X. BLADEN LAKES STATE FOREST:		
Disbursements	$ 191,455	$ 190,498
Less: Receipts	191,537	190,940
Appropriation—Cr.	$ (5,454)	$ (2,155)
XI. STATE PARKS:		
Disbursements	$ 533,637	$ 558,306
Less: Receipts	148,712	153,297
Appropriation	$ 384,925	$ 405,009

XII.	**STATE PLANNING:**		
	Disbursements	$ 112,444	$ 133,098
	Less: Receipts	28,526	46,671
	Appropriation	$ 83,918	$ 86,427
XIII.	**DRAINAGE OF LAKE PHELPS**	$ 7,186	
XIV.	**LESS: RECEIPTS**		
	Funds Transferred From Preceding Year		$ 2,838
	TOTAL DISBURSEMENTS	$4,932,404	$5,254,121
	TOTAL RECEIPTS	1,641,363	1,784,396
	GENERAL FUND APPROPRIATION	$3,291,041	$3,469,725

SUMMARY OF DISBURSEMENTS—BY OBJECTS

Salaries and Wages	$2,891,079	$3,123,254
Supplies and Materials	124,672	145,670
Postage, Telephone, Telegraph	97,298	119,914
Travel Expense	166,394	198,026
Printing and Binding	76,142	86,294
Motor Vehicle Operation	251,137	272,576
Lights, Power, Water	25,102	27,619
Repairs and Alterations	125,577	141,906
General Expense	349,447	215,375
Industrial Development & Research	15,786	23,627
Direct Advertising	391,399	428,360
Drainage of Lake Phelps	7,186	
U. S. Geological Survey	15,850	15,850
Infestation Control	2,429	
Current Obligations	17,871	21,199
Equipment	308,756	388,992
Additions and Betterments	31,932	4,408
Stores for Resale	34,347	38,548
Special Projects—Minerals		2,503
TOTALS	$4,932,404	$5,254,121

SUMMARY OF RECEIPTS:

Drainage of Lake Phelps	$	$ 2,838
Social Security Refunds		1
Sale of Equipment	222	554
Sale of Publications	3,192	3,755
N. C. Sales Tax	196	42
N. C. Trade Fair	12,884	
Federal Cooperation—Forestry	564,487	594,294
County Cooperation—Forestry	400,987	439,490
Private Cooperation—Forestry	41,347	49,189
Receipts Bladen Lakes State Forest	199,472	199,250
Sale of Forestry Tree Seedlings	199,888	225,143
Sale of Farm Products	12,309	12,876
Sale of Miscellaneous Forest Products	2,393	3,653
Park Concessions	125,652	128,879
Permits—State Lakes	14,384	15,682
Utility Sales	2,961	2,300
Federal Grants	24,067	42,237
Reproductions	1,925	1,853
Car Rentals	2,533	2,580
Rental from Employees	18,980	17,756
Federal Cooperation—State Parks		1,423
Sale of Seed	13,484	40,601
TOTALS	$1,641,363	$1,784,396

DIVISION OF COMMERCIAL FISHERIES

Statement of Receipts and Disbursements

OPERATING FUND

Biennium 1962-64

	Fiscal Year 1962-63	Fiscal Year 1963-64
Disbursements	$ 298,430	$ 336,369
Less: Receipts	102,465	118,627
General Fund Appropriation	$ 195,965	$ 217,742
SUMMARY BY PURPOSE		
I. ADMINISTRATION	$ 195,513	$ 214,441
II. OPERATION PATROL BOATS	85,977	99,845
III. SHELLFISH SANITATION	1,140	1,283
IV. MARINE FISHERIES RESOURCE STUDIES	15,800	20,800
TOTAL DISBURSEMENTS	$ 298,430	$ 336,369
SUMMARY OF DISBURSEMENTS—BY OBJECTS:		
Salaries and Wages	$ 193,274	$ 203,020
Supplies and Materials	10,667	17,867
Postage, Telephone and Telegraph	2,147	2,600
Travel Expense	15,294	15,654
Printing and Binding	1,046	2,176
Motor Vehicle Operation	25,147	30,609
Lights, Water and Heat	1,973	1,641
Repairs and Alterations	10,997	18,576
General Expense	3,133	8,109
Insurance and Bonding	875	2,014
Equipment	18,077	13,303
Marine Fisheries Resource Studies	15,800	20,800
Totals	$ 298,430	$ 336,369
SUMMARY OF RECEIPTS:		
Food Fish Licenses and Taxes	$ 7,506	$ 5,823
Oyster Licenses and Taxes	9,801	9,390
Clam Licenses and Taxes	2,218	2,826
Crab Licenses and Taxes	9,981	17,526
Menhaden Licenses	18,711	25,757
Power Boat Licenses	47,144	50,587
Escallop Licenses and Taxes	1,959	1,681
Oyster License Fees and Rent	4,595	4,437
Cottage Rent	550	600
Totals	$ 102,465	$ 118,627

DIVISION OF COMMERCIAL FISHERIES

Statement of Receipts and Disbursements

SHELLFISH FUND

Biennium 1962-64

REVENUE:		
General Fund Appropriation	$ 128,613	$ 105,923
SUMMARY OF DISBURSEMENTS—BY OBJECTS:		
Salaries and Wages	$ 23,628	$ 27,141
Supplies and Materials	898	124
Travel Expense	2,556	2,561
Gas and Oil	460	178
Repairs and Alterations	833	825
Contract Oyster and Shell Planting	68,902	55,591
Equipment	29,500	16,313
Insurance	1,336	684
Postage and Telephone		1,185
Printing and Binding		1,321
General Expense	500	
Totals	$ 128,613	$ 105,923

KERR RESERVOIR DEVELOPMENT COMMISSION

Statement of Receipts and Disbursements

Biennium 1962-64

	Fiscal Year 1962-63	Fiscal Year 1963-64
REVENUE:		
Disbursements	$ 41,397	$ 45,190
Less: Receipts	10,182	11,500
General Fund Appropriation	$ 31,215	$ 33,690
SUMMARY OF DISBURSEMENTS—BY OBJECT:		
Salaries and Wages	$ 30,515	$ 32,342
Supplies and Materials	1,645	1,916
Postage, Telephone and Telegraph	672	703
Travel Expense	256	397
Printing and Binding	151	748
Motor Vehicle Operations	2,258	2,978
Lights, Power and Water	1,266	1,467
Repairs and Alterations	2,598	1,608
Equipment	1,709	2,945
Insurance	66	86
Stores for Resale	261	
Totals	$ 41,397	$ 45,190
SUMMARY OF RECEIPTS		
Funds Transferred From Commission Special Fund	$ 10,182	$ 11,500

ATLANTIC STATES MARINE FISHERIES COMMISSION

Statement of Receipts and Disbursements

Biennium 1962-64

REVENUE:		
Appropriation—Contingency and Emergency Fund	$ 1,500	$ 1,500
SUMMARY OF DISBURSEMENTS—BY OBJECTS:		
Payment to Commission on Expenses	$ 1,500	$ 1,500

COMMERCIAL FISHERIES ADVISORY BOARD

Statement of Receipts and Disbursements

Biennium 1962-64

REVENUE:		
Appropriation—Contingency and Emergency Fund	$ 2,000	$ 2,000
Less: Total Disbursements	1,337	1,994
Balance Reverted to General Fund	$ 663	$ 6
SUMMARY OF DISBURSEMENTS—BY OBJECTS:		
Travel Expenses—Commissioners	$ 1,337	$ 1,994

GOVERNOR'S SCIENTIFIC ADVISORY COMMITTEE

Biennium 1962-64

Statement of Receipts and Disbursements

REVENUE:		
Appropriation—Contingency and Emergency Fund	$ 15,000	
Transferred from Preceding Year		$ 13,000
Less: Disbursements	2,000	13,000
Unexpended Balance Transferred To Succeeding Year	$ 13,000	$ -0-
SUMMARY OF DISBURSEMENTS—BY OBJECTS		
Scientific Study Research	$ 2,000	$ 13,000

NORTH CAROLINA SEASHORE COMMISSION

Biennium 1962-64

Statement of Receipts and Disbursements

REVENUE:	
Appropriation, By Transfer from Department of Conservation and Development	$ 15,360
Appropriation, Contingency and Emergency Fund	28,067
Total Receipts	$ 43,427
Less: Disbursements	16,065
Unexpended Balance Transferred to Succeeding Year	$ 27,362
SUMMARY OF DISBURSEMENTS—BY OBJECTS	
Salaries and Wages	$ 7,860
Supplies and Materials	260
Postage, Telephone, Telegraph	229
Travel Expense	889
Equipment	2,280
General Expense (Per Diem)	4,547
Total	$ 16,065

COMMERCIAL FISHERIES STUDY COMMISSION

Biennium 1962-64

Statement of Receipts and Disbursements

REVENUE:	
Appropriation, Contingency and Emergency Fund	$ 1,432
Less: Disbursements	1,349
Unexpended Balance Reverted to General Fund	$ 83
SUMMARY OF DISBURSEMENTS—BY OBJECTS	
Payment to Commission Members for Expenses	$ 1,349

FORESTRY AND STATE PARKS

Statement of Receipts and Disbursements

CAPITAL IMPROVEMENT FUND OF 1963

REVENUE:		**TO DATE**
Appropriation, Public Laws of 1963		$1,391,500
Transferred from Capital Improvement Fund of 1957	$ 3,774	
Transferred from Capital Improvement Fund of 1959	2,255	6,029
Total Receipts		$1,397,529
Less: Disbursements		136,686
		$1,260,843

PROJECTS: FORESTRY	**APPROPRIATIONS**	**EXPENDITURES**	**UNEXPENDED**
I. Lookout Tower, Pamlico County	$ 5,000	$ 4,341	$ 659
II. Headquarters Building, Hyde County	46,000		46,000
III. Shop Building	40,000		40,000
IV. Fire Control Equipment, Clayton	12,500		12,500
V. Equipment and Radio Shop, Chapel Hill	17,500		17,500
VI. Warehouse & Shop, Sylva	52,500		52,500
VII. Four Equipment Shelters	38,000		38,000
VIII. Headquarters Building, Rockingham	61,000	4,425	56,575
IX. Headquarters Building, Elizabeth City	58,500		58,500
X. Equipment and Communication Building, New Bern	12,000	7,800	4,200
XI. Steel Stairs in Towers Ashe & Yancey Counties	1,500		1,500
XII. Lookout Tower, Robeson County	12,255	11,732	523
XIII. Residence, Sampson County	10,000		10,000

PROJECTS: STATE PARKS			
I. Cliffs of Neuse	66,500	3,929	62,571
II. Fort Macon	294,274	25,045	269,229
III. Hanging Rock	104,500	10,167	94,333
IV. Jones Lake	40,500	759	39,741
V. Morrow Mountain	72,000		72,000
VI. Mount Jefferson	33,450		33,450
VII. Mount Mitchell	188,550		188,550
VIII. Reedy Creek	20,500	429	20,071
IX. William B. Umstead	60,500	8,433	52,067
X. Duke Power State Park	150,000	59,626	90,374
Totals	$1,397,529	$ 136,686	$1,260,843

FORESTRY AND STATE PARKS

Statement of Receipts and Disbursements

CAPITAL IMPROVEMENT FUND OF 1959

REVENUE:		TO DATE
Appropriation Public Laws of 1959		$1,173,500
Less: Transferred to Dept. of Water Resources		600,000
Appropriation Forestry and State Parks		$ 573,500
Rental on Phosphate Areas	$ 11,690	
Transferred from Permanent Improvement Fund of 1947 and 1949	45,026	
Transferred from Permanent Improvement Fund of 1947	1,156	
Transferred from Permanent Improvement Fund of 1949	764	
Sale of Boats, Commercial Fisheries	581	
Insurance on damaged Boat, Commercial Fisheries	9,795	
Sale of Land	23,463	
Protesting Oyster Bottom Leases	75	
Sale of Lumber, State Parks	7,290	
Lease to Town of Morehead City	1	99,841
Total Receipts		$ 673,341
Less: Disbursements		582,065
Unexpended Appropriation		$ 91,276

PROJECTS:	APPROPRIATION	EXPENDITURES	UNEXPENDED
I. Development of Bear Island State Park	$ 172,000	$ 163,652	$ 8,348
II. Fort Macon (Beach Erosion)	151,926	151,919	7
III. Morrow Mountain (Repairs)	1,500	1,470	30
IV. Pettigrew (Repairs)	7,000	6,993	7
V. Land Acquisition (State Parks)	179,702	129,016	50,686
VI. Nursery Building (Forestry)	26,180	26,171	9
VII. Irrigation (Forestry)	9,200	9,188	12
VIII. Irrigation (Forestry)	18,955	18,955	
IX. Residence (Forestry)	7,000	7,000	
X. Residence (Forestry)	7,000	7,000	
XI. Tower Roads (Forestry)	1,000	1,000	
XII. Tower Cabin (Forestry	3,000	3,000	
XIII. Tower Cabins (Forestry)	1,865	1,864	1
XIV. Tower (Forestry)	8,800	8,800	
XV. Tower (Forestry)	7,745	7,745	
XVI. Duke Power Park (Dam)	15,324	15,323	1
XVII. Boat "Cape Fear" (Commercial Fisheries)	14,276	14,276	
XVIII. Barge "Rose I" (Commercial Fisheries)	6,300	6,300	
XIX. Transferred to Capital Improvement Fund of 1963	2,255	2,255	
XX. Phosphate Area Development	139	138	1
XXI. Unencumbered	32,174		32,174
Totals	$ 673,341	$ 582,065	$ 91,276

FORESTRY AND STATE PARKS

Statement of Receipts and Disbursements

CAPITAL IMPROVEMENT FUND OF 1957

REVENUE:		TO DATE
Appropriation, Public Laws of 1957		$ 688,000
Sale of Timber	$ 4,910	
Department of Motor Vehicles	1,489	
Contribution—Stanly County	5,634	
Sale of Obselete Buildings	1,115	
Forfeitures of Plans & Specifications	200	13,348
Total Receipts		$ 701,348
Less: Disbursements		649,132
Unexpended Appropriation		$ 52,216

PROJECTS	APPROPRIATIONS	EXPENDITURES	UNEXPENDED
I. Cliffs of Neuse	$ 89,100	$ 80,300	$ 8,800
II. Fort Macon	8,547	8,547	
III. Hanging Rock	65,569	62,945	2,624
IV. Jones Lake	19,792	19,789	3
V. Morrow Mountain	77,426	75,133	2,293
VI. Mount Jefferson	17,298	17,137	161
VII. Mount Mitchell	155,353	145,688	9,665
VIII. Pettigrew	14,522	14,508	44
IX. Reedy Creek	87,383	60,255	27,128
X. William B. Umstead	85,013	85,010	3
XI. Forestry Lookout Towers	72,000	72,000	
XII. Forestry Nursery Building	8,000	7,820	180
XIII. Unencumbered	1,315		1,315
Totals	$ 701,348	$ 649,132	$ 52,216

KERR RESERVOIR DEVELOPMENT COMMISSION

Statement of Receipts and Disbursements

CAPITAL IMPROVEMENT FUND OF 1959

REVENUE:	TO DATE
Appropriation, Public Laws of 1959	$ 40,000
Less: Disbursements	39,487
Unexpended Appropriation	$ 513

PROJECTS:	APPROPRIATIONS	EXPENDITURES	UNEXPENDED
I. Bullocksville Park	$ 6,950	$ 6,923	$ 27
II. Satterwhite Point	21,087	21,082	5
III. Warren County Area	6,384	5,910	474
IV. Nutbush Bridge Area	1,779	1,775	4
V. General Area	3,800	3,797	3
Totals	$ 40,000	$ 39,487	$ 513

KERR RESERVOIR DEVELOPMENT COMMISSION

Statement of Receipts and Disbursements

CAPITAL IMPROVEMENT FUND OF 1961

REVENUE:	TO DATE
Appropriation, Public Laws of 1961	$ 91,700
Less: Disbursements	33,442
Unexpended Appropriation	$ 58,258

PROJECTS:	APPROPRIATIONS	EXPENDITURES	UNEXPENDED
I. Community Building	$ 25,000		$ 25,000
II. Central Warehouses	11,000		11,000
III. Tent Camp Area	19,100	4,850	14,250
IV. Maintenance Work Shop	10,400	10,120	280
V. Ranger's Residence	8,500	965	7,535
VI. Ground Improvement and Parking Areas	3,022	3,022	
VII. Picnic Shelter	4,678	4,677	1
VIII. Sales and Service Building	10,000	9,808	192
Totals	$ 91,700	$ 33,442	$ 58,258

KERR RESERVOIR DEVELOPMENT COMMISSION

Statement of Receipts and Disbursements

CAPITAL IMPROVEMENT FUND OF 1963

REVENUE	TO DATE
Appropriation, Public Laws of 1963	$ 132,600
Less: Disbursements	31,653
Unexpended Appropriation	$ 100,947

PROJECTS	APPROPRIATIONS	EXPENDITURES	UNEXPENDED
I. Kimball Point	$ 35,500	$ 5,817	$ 29,683
II. County Line Point	25,000	6,795	18,205
III. Bullocksville Park	10,500	5,817	35,603
IV. Satterwhite Point	40,100	4,497	35,603
V. Flemingtown Road Marina	9,500		9,500
VI. Williamsboro Wayside	4,000	3,798	202
VII. Park Improvements	8,000	6,535	1,465
Totals	$ 132,600	$ 31,653	$ 100,947

RESTORATION OF TRYON PALACE

Statement of Receipts and Disbursements

FERMANENT IMPROVEMENT FUND OF 1949

REVENUE:		TO DATE
Proceeds First Maude Latham Trust Fund		$ 118,385
Proceeds Second Maude Latham Trust Fund		619,444
Proceeds Residue Maude Latham Estate Fund		2,345,519
Rentals Collected		2,885
Total Revenue		$3,086,233
Less: Disbursements		
Architects Fees and Furnishings	$ 780,157	
Documentary Research	14,257	
Physical Research	182,718	
New Construction	1,647,077	
Land Acquisition	449,841	
Total Disbursements		3,074,050
Unexpended Funds		$ 12,183

STATE PLANNING STUDY

Biennium 1962-64

SPECIAL FUND

Statement of Receipts and Disbursements

REVENUE:	1963-64
Federal Planning Grant	$ 18,917
Less: Disbursements	3,363
Balance Transferred to Succeeding Year	$ 15,554

SUMMARY OF DISBURSEMENTS—BY OBJECTS	
Salaries and Wages	$ 2,863
Postage, Telephone, Telegraph	15
Travel Expense	485
Totals	$ 3,363

KERR RESERVOIR DEVELOPMENT COMMISSION

Biennium 1962-64

Statement of Receipts and Disbursements

REVENUE:	1962-63	1963-64
Rental of Facilities	$ 3,609	$ 4,314
Camping Site Rentals	6,159	8,065
Rental from Employees	248	413
Concessions	363	79
Sale of Lumber		70
Totals	$ 10,379	$ 12,941
Less: Transferred to Kerr Reservoir Development Commission's Operating Fund	10,182	11,500
Balance Transferred to Succeeding Year	$ 197	$ 1,441

NORTH CAROLINA COORDINATING FILM BOARD

Biennium 1962-64

SPECIAL FUND

Statement of Receipts and Disbursements

REVENUE:		
Richardson Foundation Donation	$ 87,210	$
Film Board Receipts	169,689	81,487
Film Print Sales		808
Total Receipts	$ 256,899	$ 82,295
Less: Disbursements	114,992	220,022
Unexpended Balance Transferred to Succeeding Year	$ 141,907	($ 137,727)

SUMMARY OF DISBURSEMENTS—BY OBJECTS		
Salaries and Wages	$ 32,300	$ 30,403
Supplies and Materials	325	1,038
Postage, Telephone, Telegraph	734	1,152
Travel Expense	3,768	2,339
Printing and Binding	41	
Production Expense	74,294	184,037
Equipment	3,530	1,053
Totals	$ 114,992	$ 220,022

COMMUNITY PLANNING

Biennium 1962-64

SPECIAL FUND

Statement of Receipts and Disbursements

REVENUE:		
Federal Planning Grant	$ 246,096	$ 310,661
State Cost	13,349	33,600
Communities Grants	103,695	158,685
Communities Branch Office Receipts	21,379	44,493
Total	$ 384,519	$ 547,439
Less: Disbursements	366,088	390,033
Balance Transferred to Succeeding Year	$ 18,431	$ 157,406

SUMMARY OF DISBURSEMENTS—BY OBJECT:		
Salaries and Wages	$ 162,112	$ 191,663
Supplies and Materials	5,612	7,571
Postage, Telephone and Telegraph	1,364	2,447
Travel Expense	10,070	11,558
Printing and Binding	5,912	8,828
Repairs and Alterations	501	376
General Expense	174,355	163,452
Equipment	6,162	4,138
Total	$ 366,088	$ 390,033

12:05

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